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1988 Food Shopping Report

Trends in Shopping and Eating Out

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1988 FOOD SHOPPING REPORT

Trends in Shopping and Eating Out

This is one of a series of marketing research reports prepared by the Newspaper Advertising Bureau, Inc., as a service to the newspaper business and its advertisers.

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1988 FOOD SHOPPING REPORT

INTRODUCTION

Americans' food shopping and eating habits seem to be undergoing rapid changes. This panel survey was undertaken to update research conducted in May 1987, to check on short-term trends. A questionnaire on food shopping and dining out that was mailed to a panel of 5,000 Home Testing Institute households in the first week of July 1988 produced 3,819 returns before the cutoff date.[1] Eight out of nine panelists were female household heads.

Information collected from the panel included personal food shopping habits; reasons for switching the food store where most shopping is done; frequency of shopping; the preparation of food shopping lists; recall of food advertising in newspapers during the past week; coupon use and sources for coupons; types of eating places patronized; and number of evening meals eaten out in the past month.

The Newspaper Advertising Bureau, Inc., developed the questionnaire, commissioned the field work and analyzed the data. The report was written by Charles Lehman of NAB's Research Department. The text and tables on the pages that follow detail the principal findings of this research.

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1) See "Description of Research", page 29, for further details.

Food Shopping Habits

Half (50%) of all respondents reporting for their households say that they usually do their food shopping in one favorite store. A large minority (35%) regularly goes to more than one store, and another 12% say that they usually go to the store advertising the best specials (Table 1).

In households where the head is under 30 years of age, food shoppers are more likely to have one favorite store (59%), and somewhat less likely to patronize the store advertising the best specials (9%). The same general pattern was found in the 1987 survey.

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On the basis of a few surveys, it is impossible to say whether the apparent differences in the shopping habits of younger food shoppers will change over time. However, to the extent that the principal food shoppers in these households (most of whom are women) continue to hold full-time jobs, their food shopping habits will probably continue to differ from those of the previous generation. For working women, saving time may be more important than saving money.

Table 1

Food Shopping Habits: Store Selection

	Usually Shop At:		
	One Favorite Store	More Than One Store	Store Advertising Best Specials
Total respondents	50%	35%	12%
Age of household head:			
Under 30 years	59%	29%	9%
30-44 years	51	36	10
45-64 years	50	36	13
65 years or older	45	37	16
Census region:			
Northeast	55%	32%	11%
Midwest	51	34	13
South	48	38	13
West	48	37	11
Household size:			
One person	50%	34%	12%
Two persons	49	36	14
Three-four persons	52	36	10
Five or more persons	50	34	14
Household income:			
$40,000 and over	52%	36%	10%
$30,000 - $39,999	51	38	10
$20,000 - $29,999	51	35	12
$10,000 - $19,999	49	35	14
Under $10,000	48	32	16
Employment status of female head:			
Employed	53%	34%	10%
Not employed	47	36	15

Note: Rows do not total 100% because "spur of the moment" responses (less than 2% of total responses) and "no answer" (1%) have been excluded. Bases for all demographic segments are shown in the Appendix.

Store (Dis)loyalty Among Food Shoppers

While widespread patronage of a favorite food store implies a high level of store loyalty, about one-quarter of the respondents (26%) report that, within the past year, they have switched the store where they do most of their food shopping (Table 2). Switching is most prevalent (at 38%) where the household head is less than 30 years old. Conversely, where the household head is 65 years of age or older, only 20% report store switching.

Most other demographic segments show only minor variations in the percentage who have switched their main food store within the past year, but switching may be somewhat more common in households with five or more persons and among those with household incomes under $10,000.

Table 2

Percentage Switching Major Food Store in Past Year

	Percent
Total respondents	26%
Age of household head:	
Under 30 years	38%
30-44 years	28
45-64 years	25
65 years or older	20
Region:	
Northeast	25%
Midwest	25
South	29
West	27
Size of household:	
One person	24%
Two persons	24
Three-four persons	28
Five or more persons	31
Household income:	
$40,000 and over	28%
$30,000 - $39,999	24
$20,000 - $29,999	26
$10,000 - $19,999	24
Under $10,000	31
Employment status of female head:	
Employed	26%
Not employed	22

Note: Bases for all demographic segments are shown in the Appendix.

Why Do They Switch Stores?

The questionnaire listed five specific reasons for switching stores, plus "some other reason" to cover other contingencies. In response, three out of ten (31%) among those who had switched said their main reason was that a different store offered lower prices (Table 3).

About one in four (19%) switched because a new store had opened, and for 18% a household move was the main reason for changing stores. A different pattern was evident among switchers in households with a head under 30 years of age: 36% had changed stores because of a move.

In the 1988 research, the listed choices on reasons for switching differed from earlier surveys. In 1987, 38% of the switchers said that "a different store offered better value". The more specific wording used in the 1988 questionnaire yielded results that indicate that "lower prices" influence more of the switchers (31%) than "better service" does (9%).

Table 3

Main Reason for Switching Major Food Store

	Different Store Had Lower Prices	New Store Opened	Moved	Different Store Had Better Service
Total switching	31%	19%	18%	9%
Age of household head:				
Under 30 years	24%	15%	36%	7%
30-44 years	28	21	21	7
45-64 years	33	21	13	9
65 years or older	39	19	5	12
Census region:				
Northeast	28%	16%	19%	11%
Midwest	34	15	19	11
South	31	29	15	6
West	29	12	24	8
Size of Household:				
One person	28%	15%	21%	12%
Two persons	32	18	20	8
Three-four persons	30	23	18	6
Five or more persons	35	23	13	10
Household income:				
$40,000 and over	23%	22	16	10
$30,000 - $39,999	33	22	15	6
$20,000 - $29,999	35	18	23	7
$10,000 - $19,999	32	17	19	7
Under $10,000	35	17	20	13
Employment status of female head:				
Employed	27%	21%	20%	8%
Not employed	35	21	13	9

Note: Rows do not total 100% because "got tired of my old store" (5% of total) and "some other reason" (21% of total) have been excluded. Bases for all demographic segments are shown in Appendix.

The Indispensable Shopping List

Before setting out on a major food shopping trip, 83% of all homemakers in the survey make a shopping list (Table 4). This proportion shows only minor variations; in every major demographic segment at least eight out of ten depend on a shopping list. However, the tendency to make a list increases with the age of the household head.

The widespread use of shopping lists does not necessarily imply that all food shoppers use one for the same purpose. Some may make a list only to ensure the purchase of needed items, while others may use a list mainly to remind themselves of special prices that are available for a limited time.

Table 4

Percentage Who Make A Shopping List Before Major Food Shopping Trip

	Percent
Total respondents	83%
Age of household head:	
Under 30 years	80%
30-44 years	81
45-64 years	83
65 years or older	87
Census region:	
Northeast	85%
Midwest	84
South	81
West	84
Size of household:	
One person	80%
Two persons	85
Three-four persons	84
Five or more person	81
Household income:	
$40,000 and over	84%
$30,000 - $39,999	84
$20,000 - $29,999	84
$10,000 - $19,999	81
Under $10,000	85
Employment status of female head:	
Employed	83%
Not employed	88

Note: Bases for all demographic segments are shown in Appendix.

Most Food Shoppers Check Prices

About eight out of ten shoppers (79%) indicate that they usually compare prices between food stores. Newspaper ads, checked by 55%, are the most popular source for price comparisons, followed by store circulars (37%) and prices in stores (28%). Only 4% get price information from TV ads (Table 5).

The predominance of newspaper advertising in this context reflects several factors, particularly the advantage of having prices for competing stores in one convenient package. Also, the predictable schedule of the weekly "Best Food Day" edition fits established food shopping patterns well. In many cases the weekly food section probably played a key role in shaping the ~~food~~ shopper's basic shopping habits in the first place.

Table 5 suggests that shoppers in households where the head is under 30 years of age may be less involved with comparing food prices, as with other aspects of food shopping. This group is somewhat more likely to check prices in the store, but less likely to do any advance checking. They may tend to find a convenient, well-stocked store and stick with it, assuming that its prices are competitive. However, greater mobility may force them to switch stores. (See Tables 2 and 3.)

Table 5

Usual Source for Price Comparisons Between Food Stores

	Newspaper Ads	Store Circulars	Prices in Stores	Don't Compare
Total respondents	55%	37%	28%	21%
Age of household head:				
Under 30 years	37%	29%	34%	25%
30-44 years	51	32	30	23
45-64 years	60	39	27	20
65 years or older	64	45	24	16
Census region:				
Northeast	51%	42%	24%	24%
Midwest	53	36	30	20
South	57	38	31	17
West	58	30	26	24
Size of household:				
One person	50%	35%	25%	25%
Two persons	59	37	28	19
Three-four persons	54	39	30	20
Five or more persons	55	38	31	17
Household income:				
$40,000 and over	52%	33%	26%	27%
$30,000 - $39,999	57	38	33	18
$20,000 - $29,999	53	36	29	20
$10,000 - $19,999	57	38	27	19
Under $10,000	57	43	26	16
Employment status of female head:				
Employed	52%	34%	26%	25%
Not employed	63	45	26	16

Note: Rows total more than 100% because of multiple mentions. "Some other way" (1% of total) and "Look at TV ads" (4% of total) have been excluded from table. Bases for all demographic segments are shown in Appendix.

Food Ads in the Newspaper Get Their Attention

As in earlier research, a very high proportion of the shoppers in this survey--87%--report having looked at supermarket or other food ads in their daily newspapers within the past week (Table 6). This figure indirectly confirms the comprehensive coverage of food shoppers by the daily newspaper, but more specifically it reflects the high level of interest in detailed information about local supermarket specials, coupons and new food products.

In all geographic regions and among shoppers for households of all sizes, at least 85% recall seeing supermarket or food ads in the daily newspaper during the past week. This is also true for all household income levels, from less than $10,000 to $40,000 or more. Among major demographic segments the only exception to this general pattern is shoppers from the youngest households, but even in this group eight out of ten recall looking at food ads in the newspaper.

Table 6

Percentage Recalling Supermarket or Food Ads In Daily Newspaper in Past Week

	Percentage
Total respondents	87%
Age of household head:	
Under 30 years	80%
30-44 years	85
45-64 years	91
65 years or older	90
Census region:	
Northeast	89%
Midwest	86
South	87
West	87
Size of household:	
One person	85%
Two persons	87
Three-four persons	89
Five or more persons	89
Household income	
$40,000 and over	89%
$30,000 - $39,999	89
$20,000 - $29,999	87
$10,000 - $19,999	87
Under $10,000	85
Employment status of female head:	
Employed	87%
Not employed	89

Note: Bases for all demographic segments are shown in Appendix.

How Often Do They Shop for Food?

Earlier research[1] indicates that six out of ten principal food shoppers (61%) make one major food shopping trip per week. The major food shopping trip might be thought of as a planned expedition that involves checking household stocks of food, consulting newspaper ads, and making a list.

No matter how well planned the major food shopping trip may be, a household can unexpectedly run out of a food staple or develop a sudden appetite for something different. Between major food shopping trips and fill-in shopping, American households report an average of 2.4 food store trips per week (Table 7). The number of trips per week tends to increase with the size of the household, from an average of 2.1 trips in one-person households to 2.8 trips in households of five or more persons. The average number of weekly food shopping trips also shows a positive relationship with household income.

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1) For example, see "Food Shopping and Eating Patterns", Newspaper Advertising Bureau, 1978.

Table 7

Average (Mean) Number of Trips per Week to Any Kind of Food Store

	Trips per Week
Total respondents	2.4
Age of household head:	
Under 30 years	2.4
30-44 years	2.6
45-64 years	2.4
65 years or older	2.1
Census region:	
Northeast	2.5
Midwest	2.2
South	2.4
West	2.4
Size of household:	
One person	2.1
Two persons	2.3
Three-four persons	2.5
Five or more persons	2.8
Household income:	
$40,000 and over	2.5
$30,000 - $39,999	2.5
$20,000 - $29,999	2.4
$10,000 - $19,999	2.3
Under $10,000	2.1
Employment status of female head:	
Employed	2.4
Not employed	2.2

Note: Bases for all demographic segments are shown in Appendix.

Coupons: An Integral Part of the Shopping Experience

Virtually all (94%) of the food shoppers in this survey report using coupons at least "once in a while". More than half (54%) say that they "almost always" use them (Table 8). Even among shoppers from the youngest households, 92% use coupons at least once in a while.

These figures may seem to be at odds with the low redemption rates found for manufacturers' cents-off coupons. These coupons are for branded products that may be used by only a small proportion of the public, and some of these coupons have no expiration date. No published figures are available for in-store coupons, which sometimes cover unbranded meats or produce as well as branded products, and which may expire within a week or less.

The proportion who say that they almost always use coupons varies considerably among geographic regions, from 42% in the West to 64% in the Northeast.

Table 8

Frequency of Coupon Use

	Almost Always	About Half The Time	Once in A While	Almost Never
Total respondents	54%	19%	21%	5%
Age of household head:				
Under 30 years	51%	18%	23%	6%
30-44 years	54	20	20	6
45-64 years	55	19	20	5
65 years or older	56	17	22	4
Census region:				
Northeast	64%	17%	15%	3%
Midwest	57	18	21	4
South	50	19	24	7
West	42	21	27	8
Size of Household:				
One person	43%	19%	27%	9%
Two persons	56	18	22	4
Three-four persons	59	19	17	4
Five or more persons	62	16	18	3
Household income:				
$40,000 and over	55%	20%	20%	5%
$30,000 - $39,999	56	19	18	5
$20,000 - $29,999	56	19	21	4
$10,000 - $19,999	54	19	20	6
Under $10,000	49	16	28	6
Employment status of female head:				
Employed	53%	21%	20%	5%
Not employed	60	16	21	3

Note: Rows may not total 100% because "no answers" have been excluded (1% of total). Bases for all demographic segments are shown in the Appendix.

Where Do They Get Those Coupons?

The medium most widely used for price comparisons, the medium in which 87% of food shoppers have seen food advertising within the past week, is also the most popular source for coupons. Nine out of ten (90%) of the respondents in this survey use coupons from newspaper ads or inserts (Table 9). In every major demographic segment at least 86% report the use of food coupons from newspapers.

Shoppers get coupons from other sources as well, including store mailers and circulars (72%), magazines (56%), and in the store (24%). Regardless of the coupon source, shoppers from larger households are the most dedicated coupon users. Residents of the Northeast also report above-average use of coupons from all sources.

Table 9

Sources for Food Coupons Used

	Newspaper Ad, Insert	Mailer, Circular	Magazine	In Store	Another Way
Total respondents	90%	72%	56%	24%	8%
Age of household head:					
Under 30 years	89%	71%	51%	31%	9%
30-44 years	90	76	57	28	9
45-64 years	92	75	61	23	9
65 years or older	89	63	51	16	5
Census region:					
Northeast	93%	77%	59%	31%	10%
Midwest	92	72	56	28	7
South	90	69	57	19	8
West	86	70	49	19	7
Size of household:					
One person	87%	63%	45%	16%	6%
Two persons	91	70	58	23	7
Three-four persons	92	78	62	29	9
Five or more persons	92	80	60	32	11
Household income:					
$40,000 and over	91%	75%	58%	27%	7%
$30,000 - $39,999	93	76	59	29	9
$20,000 - $29,999	91	73	57	26	8
$10,000 - $19,999	90	69	54	21	7
Under $10,000	86	64	51	16	9
Employment status of female head:					
Employed	91%	74%	59%	26%	8%
Not employed	90	69	58	20	7

Note: Rows total more than 100% because of multiple mentions. Bases for all demographic segments are shown in Appendix.

Eat Out, Take Out, Dine Out

On the testimony of this mail panel survey, roughly 30% of all evening meals eaten in America are not prepared at home. On average, respondents say that they eat out or use take-out food 9.3 times per month (Table 10). In the 1987 survey the overall average was 8.9 times per month.

Eating out and the use of take-out food show a negative correlation with the age of the household head: The average for households with a head under 30 years of age is 10.0 times per month, vs. 7.9 for households with a head 65 years of age or older. Those in one- and two-person households are also more likely than those in larger households to eat out or use take-out food.

On average, those with household incomes of $40,000 and over eat out 9.9 times per month, compared with 7.2 times for those with incomes under $10,000. As might be expected, the employment status of the female head of household is also an important factor. If the female head is employed, the eat out/take out average is 9.6 times per month, compared with 7.5 times in households where the female head is not employed.

Table 10

Evening Meals: Average (Mean) Number of Times per Month Food is Not Prepared at Home

	Average Number of Times
Total respondents	9.3
Age of household head:	
Under 30 years	10.0
30-44 years	9.7
45-64 years	9.1
65 years or older	7.9
Census region:	
Northeast	9.2
Midwest	9.5
South	9.6
West	8.4
Size of household:	
One person	10.2
Two persons	9.5
Three-four persons	8.9
Five or more persons	7.8
Household income:	
$40,000 and over	9.9
$30,000 - $39,999	9.6
$20,000 - $29,999	9.6
$10,000 - $19,999	9.1
Under $10,000	7.2
Employment status of female head:	
Employed	9.6
Not employed	7.6

Note: Figures shown in table are totals of individual means for five specific eating places, shown in Table A1 in the Appendix. Bases for all demographic segments are also shown in the Appendix.

Who Gets the Eat Out/Take Out Business?

If occasions when respondents dined at someone else's home are excluded,[1] this research indicates that American households patronize family restaurants, fast food burger places and other types of fast food outlets with roughly equal frequency (Table 11). Full-service restaurants are used only about half as often. (Respondents were not asked to limit their estimates to national chains, so these figures undoubtedly include local establishments and small regional chains.)

In individual segments of the market the picture is quite different: Fast food outlets get 69% of the business in the youngest households, but only 38% of the business in the oldest households. Fast food outlets are also more popular with large households. Both of these findings probably reflect the fondness of children for burgers and other fast foods, and the greater price consciousness that exists in larger households.

As might be expected, those in the highest household income bracket are most likely to dine out in full-service restaurants. In at least one segment--households with heads who are 65 years of age or older--family restaurants are patronized more often than all types of fast food outlets combined.

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1) Table A1 in the Appendix shows the individual means for all eat out/take out occasions, including dining out at someone else's home.

Table 11

Share of Market* for Restaurants and Fast Food Outlets, by Type

	Fast Food, Total	Fast Food, Burger	Fast Food, Other	Family Rest.	Full Serv. Rest.
Total respondents	56%	29%	27%	30%	14%
Age of household head:					
Under 30 years	69%	37%	32%	19%	12%
30-44 years	66	34	32	23	11
45-64 years	48	24	24	36	16
65 years or older	38	20	18	46	16
Census region:					
Northeast	50%	24%	26%	33%	17%
Midwest	58	32	26	30	12
South	59	31	28	29	12
West	54	27	27	32	14
Household size:					
One person	49%	25%	24%	34%	17%
Two persons	50	25	25	35	15
Three-four persons	63	33	30	26	11
Five or more persons	69	37	32	21	10
Household income:					
$40,000 and over	50%	25%	25%	32%	18%
$30,000 - $39,999	58	28	30	28	14
$20,000 - $29,999	58	30	28	29	13
$10,000 - $19,999	57	32	25	32	11
Under $10,000	60	33	27	30	10
Employment status of female head:					
Employed	58%	29%	29%	29%	13%
Not employed	48	26	22	38	14

* The four types of eating places listed = 100%. "Share of market" figures do not take into account cafeterias, ethnic restaurants, diners, or other types. Base is total number of eating out/take out occasions, as shown in Appendix Table A3.

How They Think About Food vs. How They Eat

Expressed attitudes toward food vary considerably. All four of the "nutritional segmentation" attitude categories[1] developed by the NPD Group are found in all demographic segments, but in varying proportions. Expressions of "conventional tastes" are most common in households where the head is less than 30 years old (Table 12). "Busy urbanites" are much more likely to be found in one-person households (37%) than in those with five persons or more (21%).

Where eating behavior is concerned, 31% of the households in this sample are classified as "sophisticates", as compared with only 13% that are "meat 'n potatoes" households.[1] Respondents may not always practice what they preach, but there is some relationship between nutritional attitudes and types of food consumed. For example, 38% of those with "restrictive dieter" attitudes are classified as "diet conscientious" (Table 13).

Both expressed attitudes toward food and eating behavior show only marginal changes since our 1987 survey.

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1) See Appendix, pp. 30-31, for descriptions of four attitude and five behavior categories.

Table 12

Distribution of Nutritional Attitudes, By Demographic Segments

	Attitudes:			
	Nutritionally Fit	Conventional Tastes	Busy Urbanite	Restrictive Dieter
Total respondents	27%	23%	30%	20%
Age of household head:				
Under 30 years	30%	38%	27%	5%
30-44 years	30	30	30	10
45-64 years	26	20	31	23
65 years or older	23	16	30	31
Census region				
Northeast	26%	22%	32%	20%
Midwest	25	27	27	21
South	24	23	29	24
West	34	17	35	14
Household size:				
One person	23%	20%	37%	20%
Two persons	26	20	31	23
Three-four persons	30	25	26	19
Five or more persons	28	35	21	16
Household income:				
$40,000 and over	34%	16%	38%	12%
$30,000 - $39,999	32	20	32	16
$20,000 - $29,999	23	27	29	21
$10,000 - $19,999	23	29	23	25
Under $10,000	18	22	27	33
Employment status of female head:				
Employed	31%	25%	30%	14%
Not employed	25	20	26	29

Note: Segmentation of nutritional attitudes is based on a cluster analysis of proprietary questions developed by the NPD group. See Appendix for description of categories.

Table 13

Food Segmentation: Attitudes vs Behavior

	Total Respondents
Naturalists	24%
Meat 'n potatoes	13
Sophisticates	31
Diet conscientious	24
Kids around	8

	Attitudes:			
	Nutritionally Fit	Conventional Tastes	Busy Urbanite	Restrictive Dieter
Total households	27%	23%	30%	20%
Behavior:				
Naturalists	37	13	24	17
Meat 'n potatoes	5	27	10	11
Sophisticates	26	38	36	25
Diet conscientious	25	13	23	38
Kids around	7	9	7	9
Bases:	(672)	(576)	(765)	(516)

APPENDIX

DESCRIPTION OF RESEARCH

The Newspaper Advertising Bureau commissioned this research in order to update information on food shopping issues, including store loyalty, store switching, use of a shopping list, number of food shopping trips per week, sources for price comparisons and coupons, and patronage of restaurants and fast food outlets. Home Testing Institute of the NPD Group provided additional information on nutritional attitudes and behavior.

Home Testing Institute diary panel members are carefully instructed in responding for their households. In some respects, then, the data are collected from households rather than individuals, and in fact, the HTI panels are balanced on household characteristics. The HTI respondent in most cases is the female head of the household. However, 11% of the HTI households used for this survey have no female head.

During the first week of July 1988, Home Testing Institute fielded a self-administered Insta-Vue Questionnaire to 5,000 nationally representative households previously coded on the basis of their nutritional attitudes and behavior. When the study was closed for tabulation on August 4, 1988, 3,819 completed questionnaires had been received, for a response rate of 76.4%. In all, 3,756 questionnaires were eligible to be processed.

DESCRIPTION OF NPD's NUTRITIONAL SEGMENTATION CATEGORIES

Attitudinal Segments

"Nutritionally Fit"

"Nutritionally Fit" households are into exercise and watch carefully what they eat. They are more concerned with nutritional issues than with taste or convenience. Nutritionally Fit households are the ones who read the cereal ingredients listed on the box at the store. They have a lifestyle best characterized as inner-directed and tend to be younger, upscale families .

"Conventional Tastes"

"Conventional Tastes" households are almost the complete opposite of "Nutritionally Fit" households. They are more concerned about the taste of food than its nutritional content. "Conventional Tastes" households tend to be younger, lower-income families with two, three or more children.

"Busy Urbanites"

The "Busy Urbanite" households are convenience-oriented. They tend to "graze" throughout the day. Busy Urbanites are more likely to eat away from home than households in other attitudinal groups. They tend to be affluent singles and young married professionals. The household tends to be very inner-directed, driven by goals which focus on personal and professional success.

"Restrictive Dieters"

"Restrictive Dieters" are not necessarily on a weight-loss program; they simply watch what they eat. They count calories, watch their salt and cholesterol intake, and are likely to be on doctor-prescribed dietary programs. The Restrictive Dieters are the most downscale attitudinal group. These households tend to have very low incomes, older female heads, members who have a high school education or less, and no one in the work force.

Behavioral Segments

"Naturalists"

"Naturalists" households prefer foods which are either good for them or positioned as good for them. They display an above average consumption of "health" foods like natural cereals, wheat germ, yogurt, fresh fruit, bran fiber bread and granola bars.

"Meat 'n Potatoes"

The "Meat 'n Potatoes" segment is a very traditional blue collar family. The healthfulness of foods does not appear to be an important issue to these households. They are characterized by above-average consumption of "all-American" foods: roast beef, roast pork, potatoes, gravy, pies and whole milk.

"Sophisticates"

The most upscale behavioral group, the "Sophisticates" have a varied diet. At most times, they resemble "Naturalists". However, they are more likely than Naturalists to indulge themselves in adult-oriented foods. They may spend a great deal of their valuable time preparing a meal, but on occasion they will cook a gourmet frozen dinner in the microwave or go out to dinner. Foods they consume on an above average basis include wine, cocktails and beer; Swiss cheese; rye/pumpernickel bread; bagels; and butter.

"Diet Conscientious"

The "Diet Conscientious" are frequent users of diet or "low calorie" products and are likely to be on a doctor-prescribed diet. Their consumption of traditional diet foods is above average: skim milk, diet margarine, sugar substitutes, salads and fresh fruits.

"Kids Around"

Somewhat more upscale than the "Meat 'n Potatoes" households, the large family "Kids Around" group appears to cater to their children's food and beverage preferences. Their diets are filled with inexpensive foods like pre-sweetened cereals, soft drinks, pizza, spaghetti, hot dogs and bologna sandwiches.

Table A1

Evening Meals: Eating Out and Use of Take-out Food

(Mean number of times per month, by type)

	Average Number of Times:				
	Fast Food, Burger	Fast Food, Other	Family Rest.	Full Service Rest.	Someone Else's Home
Total respondents	2.3	2.1	2.4	1.2	1.3
Age of household head:					
Under 30 years	3.0	2.6	1.6	1.1	1.7
30-44 years	2.8	2.6	2.0	1.0	1.3
45-64 years	1.9	1.9	2.8	1.4	1.1
65 years or older	1.4	1.2	2.7	1.2	1.4
Census region:					
Northeast	1.9	2.0	2.5	1.4	1.4
Midwest	2.5	2.1	2.4	1.2	1.3
South	2.5	2.3	2.3	1.1	1.4
West	1.9	2.0	2.2	1.1	1.2
Size of household:					
One person	2.1	2.1	2.7	1.5	1.8
Two persons	2.1	2.0	2.7	1.4	1.3
Three-four persons	2.5	2.3	2.0	1.0	1.1
Five persons	2.4	2.1	1.5	0.8	1.0
Household income:					
$40,000 and over	2.2	2.2	2.7	1.6	1.2
$30,000 - $39,999	2.3	2.4	2.3	1.3	1.3
$20,000 - $29,999	2.4	2.3	2.3	1.1	1.4
$10,000 - $19,999	2.4	2.0	2.3	1.0	1.4
Under $10,000	1.9	1.6	1.7	0.6	1.4
Employment status of female head:					
Employed	2.4	2.4	2.4	1.2	1.2
Not employed	1.7	1.4	2.3	1.0	1.2

Table A2

Respondent Bases

	Total Number	Total Switching Food Stores
Total respondents	3,756	989
Age of household head:		
Under 30 years	527	202
30-44 years	1,097	304
45-64 years	1,198	296
65 years or older	934	187
Census region:		
Northeast	906	222
Midwest	1,036	256
South	1,185	344
West	629	167
Household size:		
One person	937	229
Two persons	1,240	303
Three-four persons	1,218	346
Five or more persons	361	111
Household income:		
$40,000 and over	956	263
$30,000 - $39,999	583	141
$20,000 - $29,999	744	191
$10,000 - $19,999	921	224
Under $10,000	552	170
Employment status of female head:[a]		
Employed	1,127	294
Not employed	1,173	263

(All bases shown are unweighted.)

a) Data on employment status of female head are based on respondents for whom nutritional segmentation figures were available (N = 2,529).

Table A3

Bases for Eating Out, Take-out Occasions

	Total Occasions	Commercial[a] Occasions
Total	28,537	24,775
Age of household head:		
Under 30 years	4,923	4,113
30-44 years	9,569	8,368
45-64 years	8,945	8,023
65 years or older	5,100	4,271
Census region:		
Northeast	6,824	5,871
Midwest	8,033	7,045
South	9,213	8,014
West	4,467	3,845
Household size:		
One person	7,260	6,001
Two persons	9,439	8,258
Three-four persons	9,376	8,328
Five or more persons	2,462	2,188
Household income:		
$40,000 and over	8,383	7,420
$30,000 - $39,999	4,769	4,193
$20,000 - $29,999	5,932	5,146
$10,000 - $19,999	6,651	5,724
Under $10,000	2,802	2,292
Employment status of female head[b]		
Employed	9,232	8,177
Not employed	6,687	5,730

a) Figures in this column refer to occasions when food was eaten at or taken out from the four types of eating places shown in Table 12.

b) Figures on employment status of female head are based on respondents for whom nutritional segmentation data were available.

QUESTIONNAIRE

1. Which statement best describes your personal food shopping habits? ("X" ONE ONLY)

I have one favorite store where I usually shop...................( )
I regularly shop at more than one store.........................( )
I usually go to the store that advertises the best specials......( )
I choose the store I shop in on the spur of the moment...........( )

2a. In the past year or so, have you switched the store where you do most of your shopping?

Yes ( ) (Continue)
No ( ) (Skip to Q.3)

2b. What was your main reason for switching stores? ("X" ONE ONLY)

I (we) moved......................................( )
A new store opened................................( )
Got tired of my old store.........................( )
A different store offered lower prices............( )
A different store offered better service..........( )
Some other reason.................................( )

3. Before going on a major food shopping trip, do you usually make a shopping list?

Yes ( )
No ( )

4. How do you usually go about comparing prices between food stores?

Look at newspaper ads..( )
Look at TV ads.........( )
Read store circulars...( )
Check prices in stores.........( )
Some other way.................( )
I do not compare store prices..( )

5. Counting both major food shopping and fill-in shopping, about how many trips per week do you make to any kind of food store (including supermarkets, convenience stores, health food stores, etc.)? ("X" ONE ONLY)

One trip....( )
Two trips...( )
Three trips....( )
Four trips.....( )
Five trips........( )
Six or more trips.( )

6. How often do you use coupons when you shop?

Almost always.......( )
About half the time.( )
Once in a while.......( )
Almost never..........( )

7. When you use coupons, where do you get them? ("X" ALL THAT APPLY)

Newspaper or newspaper inserts..( )
Magazine........................( )
Mailer or circular..( )
In the store........( )
Other...............( )

8. For your evening meal, about how many times per month do you do the following, either alone or with your family? (Write in one number of each. If none, write 0.)

	# Times Per Month
Eat at or take out from a fast food burger place............	________
Eat at or take out from other type of fast food place: chicken, taco, seafood, pizza, etc......................	________
Eat out in a family restaurant............................	________
Dine out in a fine restaurant with full service............	________
Dine out at someone else's home...........................	________

9. On how many of the past five weekdays (Monday through Friday) did you read or look at a daily newspaper? (Circle one number only)

0 1 2 3 4 5

10. During the past week, do you recall seeing any supermarket or other food ads in a daily newspaper?

Yes ( ) No ( )

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COUPON FACTS, 1988

Coupon Promotions, Coupon Users, and Issues in Couponing

Newspaper Advertising Bureau, Inc.
1180 Avenue of the Americas
New York, New York 10036
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COUPON FACTS, 1988

Current Coupon Promotions,
Coupon Users, and Issues in Couponing

This document is one of a series of marketing research reports prepared by the Newspaper Advertising Bureau, Inc., as a service to the newspaper business and its advertisers.

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1989

INTRODUCTION

Cents-off coupons, now a permanent fixture of American merchandising and purchasing, first appeared on the scene in 1895. But despite a long history, couponing as a promotional technique continues to evolve and change. Recent changes have occurred, for example, in the volume of coupons distributed, the media used to distribute them, and coupon redemption rates. The purpose of this report is to present recent information on the status of couponing in the United States.

This report is one of a series of updates on couponing periodically issued by the Newspaper Advertising Bureau. It contains information that has become available since the last update, Coupon Facts, 1987, was issued in October, 1987. The data presented here come primarily from surveys of consumers and marketing executives and from coupon clearing houses. Clearing house data reflect the activity of manufacturer coupons only and do not include information about "in-ad" coupons issued by individual retailers. Consumer data, on the other hand, reflect experience with both kinds of coupons.

Inquiries about couponing should be directed to Carolyn A. Eldred, the author of this report, at 212/704-4615. Orders for the report may be placed with Audrey Townsend 212/704-4565.

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I. OVERVIEW OF COUPONING ACTIVITY

1. The Growth in Coupon Distribution

The number of coupons distributed continued to increase in 1987 but at a slower rate than in previous years, according to Manufacturers Coupon Control Center (MC3) (1988a). Between 1986 and 1987, the number of coupons distributed grew from 202.6 billion to 215.2 billion, an increase of 6%. During this period, per capita distribution grew slightly, from 840 to 882, but per capita distribution since 1980 has more than doubled. More than 2000 companies now use couponing as a promotional device.

The overall 6% increase in coupon distribution in 1987 included a 9% increase in coupons for grocery products (including food and household care products) and a 4% decrease in coupons for health and beauty aids (H&BA), after many years of sustained growth (1988b). (See Tables 1 and 2.) Grocery products comprise 81% of all coupons, and health and beauty aids, 19%.

2. Media Distribution Patterns and Trends

According to MC3, newspapers accounted for more than four of every five coupons distributed in 1987, with seven-eighths of newspaper coupons distributed through free-standing inserts (FSIs) (1988a,b). Indeed, FSIs further increased their dominance of coupon distribution to 72.7% in 1987, an increase of almost three-fold since 1981. Coupons for health and beauty aids were even more likely than those for grocery products to be

Table 1

NUMBER OF MANUFACTURER COUPONS DISTRIBUTED: U.S., 1980-1987

Year	Total	Per Person	Grocery	H&BA
1987	215.2 billion	882	173.9 billion	41.3 billion
1986	202.6 billion	840	159.4 billion	43.2 billion
1985	179.8 billion	753	145.5 billion	34.3 billion
1984	163.2 billion	691	133.5 billion	29.7 billion
1983	142.9 billion	611	118.3 billion	24.6 billion
1982	119.5 billion	516	95.5 billion	24.0 billion
1981	102.4 billion	447	79.6 billion	22.8 billion
1980	90.6 billion	399	72.8 billion	17.8 billion

Source: Manufacturers Coupon Control Center, 1988a, 1987a
Nielsen Clearing House, earlier years

Table 2

PERCENT CHANGE IN NUMBER OF MANUFACTURER COUPONS DISTRIBUTED: U.S., 1980-1987

Years	Total	Per Person	Grocery	H&BA
1986-1987	+ 6%	+ 5%	+ 9%	- 4%
1985-1986	+13%	+12%	+10%	+26%
1984-1985	+10%	+ 9%	+ 9%	+15%
1983-1984	+14%	+13%	+13%	+21%
1982-1983	+20%	+18%	+24%	+ 3%
1981-1982	+17%	+15%	+20%	+ 5%
1980-1981	+13%	+12%	+ 9%	+28%

Source: Manufacturers Coupon Control Center, 1988a, 1987a
Nielsen Clearing House, earlier years

distributed through FSIs (80% versus 71%), while ROP advertising continued to provide a distribution medium for some grocery coupons (12% versus 3% of H&BA coupons). Over the years, the role of newspaper ROP pages, Sunday supplements in newspapers, and magazines in coupon distribution has lessened, while the role of direct mail has increased somewhat and that of FSIs, greatly. (See Tables 3 and 4.)

Table 3

MEDIA DISTRIBUTION OF MANUFACTURER COUPONS, U.S., 1987

Method	Total	Grocery	H&BA
Newspapers	83.2%	83.2%	83.1%
Daily ROP solo	5.9	6.9	1.5
Co-op	4.6	5.4	1.3
Free-standing inserts	72.7	70.9	80.3
Magazines	3.7	3.4	4.8
Direct mail	5.3	5.1	6.1
In/on pack	5.3	5.9	2.8
Other (including Sunday newspaper supplements)	2.5	2.4	3.2

Source: Manufacturers Coupon Control Center, 1988a,b

Table 4

MANUFACTURER COUPON DISTRIBUTION, U.S., 1981-1987

Method	1981	1982	1983	1984	1985	1986	1987
Newspapers	78.5%	77.9%	80.1%	82.1%	82.2%	83.7%	83.2%
Daily ROP	27.3	23.1	20.0	17.3	12.2	7.4	5.9
Co-op	17.7	15.2	12.2	10.0	8.0	7.1	4.6
Sunday supplements	7.3	6.3	4.9	3.3	2.1	1.2	n.a.
Free-standing inserts	26.2	33.3	43.0	51.5	59.9	68.0	72.7
Magazines	11.8	11.4	10.0	8.5	8.6	6.5	3.7
Direct mail	3.3	3.8	4.3	4.4	4.4	4.0	5.3
In/on pack	6.4	6.9	5.6	5.0	4.8	5.8	5.3
Other (inc. Sun. supplements)	n.a	n.a	n.a	n.a.	n.a.	n.a.	2.5

Source: Manufacturers Coupon Control Center, 1988a, 1987a
Nielsen Clearing House, earlier years

3. Redemption Rates by Distribution Medium

MC3 reports that consumers redeemed 7.15 billion coupons in 1987, around the same number they redeemed in 1986 and 3.3% of all coupons distributed in 1987 (1988a,b). While the number of coupons distributed increased 51% in the last five years, the number redeemed grew by only 29%, reaching a plateau between 1986 and 1987. According to MC3, the picture is one of an industry that has grown so rapidly and achieved such a high level of penetration that it is unlikely to continue to expand greatly. The dollar value of 1987 couponing activity included savings of $2.84 billion by consumers and $572 million paid to retailers in handling allowances.

Coupon redemption rates are greatly affected by the distribution medium used. But many other factors play a role in the success of any given coupon promotion: the face value of the coupon, degree of brand loyalty, target audience for the product, design of the ad, availability of the product, competitive activity, quality of the product, and type of product being promoted. Grocery coupons, for example, generally enjoy higher redemption rates than those for health and beauty aids, which usually cost more and have lower consumption levels. Because so many factors can affect the success of any given coupon promotion, MC3 presents not only average redemption rates by distribution medium but also a range of rates that omits the most and least successful. MC3's "mid-half redemption rate" gives the proportion of coupons redeemed at the 25th and 75th percentiles of redemption frequency, thus indicating the range of redemption rates achieved by moderately successful promotions within each distribution medium. (See Tables 5-7.)

Among print media and direct mail, only direct mail achieves higher redemption rates than FSIs in the Sunday paper, the leading mechanism for coupon distribution. The somewhat higher redemption rates for direct mail promotions are probably a function of their distributors' efforts to target prospects and upscale customers.

Product packaging also provides a vehicle for coupon distribution. Coupons may appear on a package or be included inside; they may be good for the same product or for a different one. The "instant on-pack" coupon is on the outside of the package and is good for the product inside; it is removed and redeemed "instantly" at the time of purchase. Not

Table 5

REDEMPTION RATES FOR MANUFACTURER COUPONS: GROCERY ITEMS, U.S., 1987

Medium	MC3 Average	Mid-Half Redemption Rate
Newspaper:		
ROP solo	2.1%	0.8% - 3.3%
Co-op	1.9	0.7 - 3.2
Sunday supplement	1.2	0.6 - 1.8
Sunday insert	3.6	2.1 - 5.5
Magazines:		
On page	1.8	0.8 - 2.6
Pop up/insert	3.6	2.0 - 5.4
Direct mail	5.8	3.4 - 9.6

Source: Manufacturers Coupon Control Center, 1988a

Table 6

REDEMPTION RATES FOR MANUFACTURER COUPONS: HEALTH AND BEAUTY AIDS, U.S., 1987

Medium	MC3 Average	Mid-Half Redemption Rate
Newspapers:		
ROP solo	0.6%	0.2% - 1.2%
Co-op	0.9	0.3 - 1.8
Sunday insert	1.8	1.1 - 2.7
Magazines:		
On page	0.6	0.2 - 1.1
Pop up/insert	1.7	1.2 - 2.6
Direct mail	3.3	1.4 - 5.4

Source: Manufacturers Coupon Control Center, 1988b

Table 7

REDEMPTION RATES FOR MANUFACTURER COUPONS:
IN/ON PACKAGE COUPONS, U.S., 1987

	Groceries		Health and Beauty Aids	
Coupon Type	MC3 Average	Mid-Half Redemption Rate	MC3 Average	Mid-Half Redemption Rate
Regular in-pack	14.0%	5.8% - 22.9%	7.8%	3.7% - 12.6%
Regular on-pack	12.9	6.0 - 23.7	8.0	3.8 - 12.9
Cross in-pack	4.6	2.2 - 6.9	2.4	1.3 - 3.9
Cross on-pack	3.8	1.9 - 6.0	4.2	2.2 - 6.5
Instant on-pack	31.0	15.4 - 52.3	30.2	15.3 - 47.7

Source: Manufacturers Coupon Control Center, 1988a,b

surprisingly, the instant on-pack coupon enjoys the highest redemption rates for in/on-pack coupons (although more than two-thirds of these coupons are not redeemed). And, coupons for the same product as that containing the coupon ("regular" promotions) achieve higher redemption rates than those for different products ("cross" promotions), no doubt because the former are reaching consumers known to use the product.

4. Face Values of Manufacturer Coupons

The average face value of manufacturer coupons has increased steadily throughout the 1980s. (See Table 8.) But when adjusted for inflation, face values were relatively flat in the early 1980s. Since 1983 and 1984, however, increases in the face value of coupons have outstripped inflation, and coupons are now worth substantially more in constant dollars than at the start of the decade. According to MC3 (1988a,b,), compared to the base year of 1979 (with an index of 100), the average index for the Consumer Price Index (CPI) in 1987 was 166.2 as against face value indices of 198.2 for grocery products and 240.0 for health and beauty aids. Between 1986 and 1987, the CPI increased 4%, while the average face value of grocery product coupons increased 14% and the average face value of health and beauty aids remained constant.

Table 8

AVERAGE FACE VALUE OF MANUFACTURER COUPONS, U.S., 1981-1987

	Groceries		Health & Beauty Aids	
Year	Face Value	Percent Change	Face Value	Percent Change
1987	33.9 cents	+14%	45.1 cents	N/C
1986	29.8 cents	+ 9%	45.1 cents	+18%
1985	27.3 cents	+4%	38.3 cents	+12%
1984	26.2 cents	+ 9%	34.3 cents	+18%
1983	24.1 cents	+11%	29.0 cents	+18%
1982	21.7 cents	+10%	26.1 cents	+ 8%
1981	19.8 cents	—	24.2 cents	—

Source: Manufacturers Coupon Control Center, 1988a,b; 1987a,b
Nielsen Clearing House, earlier years

As shown in Tables 8 and 9, the face values of coupons for health and beauty aids have historically been higher than those for grocery products, and they remain so. The most popular single face value for health and beauty aids coupons is 50 cents, while for grocery products it is 25 cents.

Table 9

FACE VALUES OF COUPONS DISTRIBUTED, U.S., 1987

	Percent of Coupons For:	
Face Value	Groceries	Health and Beauty Aids
10 - 20 cents	26.2%	4.4%
25 cents	27.6	22.6
30 - 45 cents	24.8	29.0
50 cents	13.5	27.9
55 - 95 cents	4.2	7.5
One dollar or more	3.7	8.6

Source: Manufacturers Coupon Control Center, 1988a,b

5. Profile of 1987 Couponing Activity

According to Summary Scan, a division of the Advertising Checking Bureau (Hume, 1988a), the most likely product categories for coupon promotion in 1987 were: health and beauty aids, 19% of all coupons; prepared foods, 10%; frozen and refrigerated foods, 10%; pet foods, 8%; household products, 8%; cereals, 8%; and beverages, 7%. The largest coupon drop was in November (11% of all coupons), and the smallest in December (4%). In analyzing 35,000 promotional ads run in 1987, Summary Scan found that 31% were straight coupon ads, 27% included refunds or sweepstakes, 27% contained special offers but no coupon, and 15% promoted a new or improved product.

II. PATTERNS OF COUPON USE

1. The Demographics of Coupon Use

Couponing enjoys widespread acceptance from consumers and is no longer confined to the most thrifty. In a recent survey (Hume, 1988b), 83% of respondents agreed that coupons increase the value of shopping dollars and 73% said that couponing is something that they would like their favorite brand to do. Coupons were far more popular with consumers than other promotions like sweepstakes, contests, mail-in rebates, or multi-brand tie-ins, all of which may be regarded by shoppers as too demanding of time and effort. In another survey, 47% of consumers said that they have a better attitude toward grocery products that use promotions, while just 3% think less of a product that is discounted (Frankel & Company, 1988). These findings run counter to the position that price promotions may jeopardize brand equity.

The Mediamark Research, Inc. (MRI) syndicated data base includes information on coupon use by homemakers, that is, the person in a household who does most of the shopping for groceries and household items. Not only do female homemakers outnumber male homemakers four to one, but they are also much more likely to use coupons. (See Table 10.) Overall, 65% of homemakers used coupons in the last year, but, as shown in Table 10, just 47% of male homemakers did so, as compared with 70% of female homemakers.

Female homemakers are clearly the predominant coupon-using group, and their characteristics are displayed in Table 11. As shown in the table,

Table 10

PERCENT OF MALE AND FEMALE HOMEMAKERS USING COUPONS IN THE LAST YEAR

	Coupon Use*				From Newspaper
	Any	Heavy	Medium	Light	
All homemakers	65%	22%	20%	24%	54%
Men	47	16	15	16	39
Women	70	24	21	25	58

Source: Mediamark Research, Inc.
1988 Spring MRI

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*Heavy use is 12 or more times in previous three months; medium use is 4 to 11 times; and light use is 3 or fewer times.

coupons were used by the majority of female homemakers in every demographic category. At 85%, women who work part-time have the highest rate of coupon use. In addition, coupon use is highest during the middle years, between ages 35 and 54, and among larger households. Coupon use increases with education and income but drops off slightly in households earning $50,000 a year or more. (Better educated and higher income households have greater access to coupons because they include more newspaper readers and are more often targeted for direct mail promotions.) Coupon use is higher in the Northeast and Midwest than in the South and West, and it is lower in non-metropolitan areas than in cities and suburbs.

No doubt because of the important role played by FSIs in coupon distribution, the great majority of those who have used coupons in the

Table 11

PERCENT AND CHARACTERISTICS OF FEMALE HOMEMAKERS USING COUPONS IN THE LAST YEAR

	Coupon Use*				From
	Any	Heavy	Medium	Light	News-paper
All female homemakers	70%	24%	21%	25%	58%
By age					
18-34	69	22	22	25	58
35-44	75	28	22	25	63
45-54	74	25	22	27	63
55-64	65	22	18	25	54
65+	66	23	18	25	54
By race					
White	72	25	22	25	60
Black	57	12	17	28	50
By ethnicity					
Spanish-speaking	63	17	19	27	53
By household size					
One	62	17	17	29	48
Two	69	23	24	23	59
Three to four	71	26	20	26	59
Five or more	75	27	22	27	67
By household income					
Under $10,000	57	15	17	25	43
$10 - 19,999	66	18	23	25	53
$20 - 29,999	73	27	18	28	63
$30 - 39,999	74	24	25	25	65
$40 - 49,999	77	31	24	22	64
$50,000 or more	74	28	19	27	62
By marital status					
Married	73	26	22	25	63
Single	74	21	23	31	57
Other	62	20	17	25	50

(Continued)

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*Heavy use is 12 or more times in previous three months; medium use is 4 to 11 times; and light use is 3 or fewer times.

Table 11 (continued)

	Coupon Use*				From News-paper
	Any	Heavy	Medium	Light	
By employment status					
Full-time work	71	23	22	27	59
Part-time work	85	25	29	30	73
No work outside home	67	25	18	24	56
By education					
Not high school grad	60	18	16	25	49
High school grad	72	26	22	25	62
Some college	70	21	22	28	56
College grad	75	27	23	24	64
By region					
Northeast	80	32	21	27	71
Midwest	77	27	25	25	67
South	63	22	18	23	51
West	65	15	22	29	48
By metro area					
Non-metro	63	17	21	25	49
Suburb	72	27	21	24	61
Central city	73	25	20	27	62

Source: Mediamark Research, Inc.
1988 Spring MRI

last year say that they used coupons from newspapers: 58% of female homemakers, or 83% of those who use coupons, obtained coupons from the newspaper. For female homemakers in most demographic categories, the use of coupons from the newspaper closely parallels coupon use in general. However, black, large, and higher income households that use coupons are even more likely than other coupon-using households to use coupons obtained from the newspaper.

Some demographic groups are of particular interest to marketers. For instance, while the MRI data are based on adults 18 years of age or older, Seventeen Magazine found that 44% of teenage girls also use coupons (Seventeen Magazine, 1988).

Hispanics are another group of interest. Donnelley Marketing (1988a) reports high levels of coupon use among the upscale recipients of its Carol Wright Hispanic mailings, but their figures may overestimate that of the general Hispanic population in the U.S. Hernandez (1988) notes a common belief that Hispanics are disinclined to use coupons, but he cites estimates of Hispanic coupon use that rival that of other groups. He believes that survey responses suggesting that Hispanics are reluctant to use coupons are the result of respondents confusing cents-off coupons with USDA food stamps, and his own research suggests that when the definitional issues are clarified Hispanics are inhibited only by such institutional barriers as lessened access to coupons. The MRI data in Table 11 show coupon usage for Spanish-speaking female homemakers that is less than that of whites but greater than that of blacks.

2. The Dynamics of Coupon Use

A number of studies shed light on the dynamics of coupon use. Not surprisingly, heavy users, while representing a minority of households, account for the vast majority of coupons used. Shababb (1987) reports that 25% of households are heavy users, who redeem an average of four coupons a week; 55% are light users, who redeem an average of one coupon a week; and 20% are non-users. Heavy users account for 72% of coupons redeemed, while light users account for just 28%. Households that are heavy users are the most likely to maintain a file of coupons and to use coupons out of inventory.

Bawa and Shoemaker (1987) examined the response of consumers to coupon promotions within a framework that considered the opportunity costs incurred by customers in handling coupons and their willingness to "substitute" or purchase a non-preferred brand. They observed that a coupon promotion for a mature brand does lead to a short-term increase in the brand's purchase share, but that this increase is largely a function of redemption purchases. While the few nonusers of the product who redeem coupons do appear to show an increased probability of purchasing the product in the future, their numbers are small, and consequently their effect on aggregate purchasing patterns is also small. Not surprisingly, the least likely households to respond to a coupon promotion are those who do not normally purchase the promoted brand and who are consistent purchasers of a competing brand. The authors caution that it may be unrealistic to expect large-scale brand switching as a result of a coupon promotion for a mature brand.

As background for their study of the motivational factors affecting coupon use, Babakus _et al_. (1988) considered how coupon use varies among demographic groups. Coupon use increases with income up to a point and then flattens out at the highest income levels, for example. At the same time, employed women with young children are less "deal prone" than other consumers. Based on such patterns, the authors posited three motivational themes that might encourage or discourage coupon use: (1) price consciousness, (2) the perceived value of one's time, and (3) the pride and self-satisfaction derived from coupon use. The research demonstrated that the three motivational factors do affect coupon use in predictable ways. The most important is the consumer's pride and satisfaction in using coupons, coupled with price consciousness. The time and effort to collect, organize, and redeem coupons is an obstacle to coupon use, however, with consumers who place high value on their time less likely to engage in couponing. The authors suggest increasing the salience of the "accomplishment" theme, using higher face values and double couponing promotions to increase store traffic, and working to decrease the time and effort involved in couponing, by using free-standing inserts, for example.

Clayton/Curtis/Cottrell's (1987) typology of coupon users and non-users reflects many of the issues discussed above. Coupon users include the following types:

- _Brand buyers_ (low usage): use coupons only for the brands they are loyal to; not concerned about face value and tend not to compare prices.
- _Persuadable purchasers_ (moderate usage): do not use coupons to save money but enjoy getting a bargain; they compare prices and calculate savings from coupon use.

- Shrewd shoppers (high usage): use coupons to save money; are not brand loyal but are unlikely to try a new product just because they have a coupon for it.
- Compulsive clippers (very high usage): view couponing as an end in itself; do not calculate savings or compare prices; are not brand loyal; stock up on couponed items whether they need them or not. They may belong to coupon clubs, exchange coupons with friends and relatives, and make use of the coupon bin for unused coupons at the grocery store.

Clayton/Curtis/Cottrell's typology of non-users includes the following groups of consumers:

- Nippers, or noninvolved prior users: former coupon users who no longer use coupons because they view them negatively (e.g., as inflationary).
- Ninnies, or noninvolved never users: persons who view grocery shopping as just another task and have no interest in even looking at the coupons that make their way into their homes.
- Nuppies, or nonuser yuppies: persons who view coupon users and couponing with disdain.

III. CONSUMERS' RESPONSE TO ALTERNATIVE DISTRIBUTION MEDIA

1. Readership of FSIs and Supermarket Ads in the Newspaper

The growth of FSIs in newspapers as a medium for the distribution of coupons has been accompanied by considerable consumer acceptance. The Newspaper Advertising Bureau's 1987 readership survey showed that nearly half of Sunday newspaper readers (46%) read FSIs regularly and another 26% read them now and then. (See Table 12.) Regular readership of FSIs is highest in the 25-54 age group, is much higher among women than men, and is somewhat higher in larger households than in small.

More than half of readers (58%) read supermarket ads in their daily paper, which may appear either on ROP pages or in advertising inserts. (See Table 13.) Readership of supermarket ads is much higher among women than men, with 70% of working women and 81% of homemakers reading supermarket ads. Readership of supermarket ads also increases with age and is higher among blacks than whites; it decreases with income, education, and the circulation of the newspaper usually read.

More than half of readers (56%) clipped coupons from the newspaper during the last three months, whether from FSIs or ROP ads. (See Table 14.) Women and older persons were more likely, and never-married persons less likely, than others to do so.

Table 12

PERCENT OF SUNDAY NEWSPAPER READERS
WHO READ FREE-STANDING INSERTS IN THE SUNDAY PAPER

	Read FSIs Regularly	Read FSIs Now & Then	Put FSIs Aside
Sunday readers (N=1398)	46%	26%	24%
By sex			
Men	34	28	35
Women	57	24	14
By age			
18 - 24	43	26	28
25 - 29	50	29	17
30 - 34	47	28	20
35 - 44	51	24	21
45 - 54	48	24	23
55 - 64	39	22	31
65+	41	28	27
By race			
White	46	25	24
Black	51	32	15
By marital status			
Married	48	25	23
Divorced/widowed/separated	42	27	23
Single	42	27	29
By household size			
One	39	30	25
Two	41	26	29
Three or more	49	25	21
Child under 18 in home	51	25	19
By income			
Under $10,000	50	23	24
$10 - 14,999	45	28	21
$15 - 24,999	48	25	22
$25 - 39,999	47	25	22
$40,000 or more	46	26	25
By education			
Not high school grad	47	25	24
High school grad	49	23	22
Some college	44	30	22
College grad	42	26	29

(Continued)

Table 12 (continued)

	Read FSIs Regularly	Read FSIs Now & Then	Put FSIs Aside
Employed persons	45%	27%	24%
Working women	57	24	14
Homemakers	61	23	11
By region			
Northeast	48	24	27
North central	52	22	20
South	47	26	21
West	36	32	30
By metro area			
Non-metro	43	22	27
50 - 249,000	52	26	16
250 - 999,000	49	27	19
1 million or more	42	26	28
By newspaper readership			
Frequent reader*	46	25	23
Infrequent reader*	45	26	24
By newspaper delivery			
Any home delivery	47	26	22
Ever buy single copy	45	28	24
By newspaper circulation**			
Under 25,000	45	24	19
25 - 50,000	51	26	20
50 - 100,000	49	26	22
100 - 250,000	48	22	25
250,000 or more	37	29	30

Source: Newspaper Advertising Bureau
1987 National Readership Survey

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*Frequent readers read the newspaper four or five or the five weekdays preceding the survey; infrequent readers look at the paper at least once in awhile.

**Circulation of newspaper usually read.

Table 13

PERCENT OF NEWSPAPER READERS WHO READ SUPERMARKET ADS IN THE DAILY PAPER

	Percent Who Read Supermarket Ads
Newspaper readers (N=1702)	58%
By sex	
Men	40
Women	73
By age	
18 - 24	44
25 - 29	59
30 - 34	57
35 - 44	56
45 - 54	56
55 - 64	62
65+	69
By race	
White	56
Black	71
By marital status	
Married	59
Divorced/widowed/separated	66
Single	45
By household size	
One	67
Two	58
Three or more	56
Child under 18 in home	59
By income	
Under $10,000	70
$10 - 14,999	66
$15 - 24,999	64
$25 - 39,999	53
$40,000 or more	45
By education	
Not high school grad	69
High school grad	62
Some college	52
College grad	45

(Continued)

Table 13 (continued)

	Percent Who Read Supermarket Ads
Employed persons	52%
Working women	70
Homemakers	81
By region	
Northeast	56
North central	59
South	61
West	53
By metro area	
Non-metro	60
50 - 249,000	60
250 - 999,000	61
1 million or more	53
By newspaper readership	
Frequent reader*	58
Infrequent reader*	57
By newspaper delivery	
Any home delivery	60
Ever buy single copy	56
By newspaper circulation**	
Under 25,000	67
25 - 50,000	63
50 - 100,000	57
100 - 250,000	55
250,000 or more	54

Source: Newspaper Advertising Bureau
1987 National Readership Survey

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*Frequent readers read the newspaper four or five or the five weekdays preceding the survey; infrequent readers look at the paper at least once in awhile.

**Circulation of newspaper usually read.

Table 14

PERCENT OF NEWSPAPER READERS WHO CLIPPED CENTS-OFF COUPONS FROM THE NEWSPAPER IN THE PREVIOUS THREE MONTHS

	Percent Who Clipped Coupons in the Last Three Months
Newspaper readers (N=836)	56%
By sex	
Men	40
Women	71
By age	
18 - 24	42
25 - 29	56
30 - 34	58
35 - 44	52
45 - 54	59
55 - 64	61
65+	62
By race	
White	56
Black	57
By marital status	
Married	60
Divorced/widowed/separated	60
Single	39
By household size	
One	62
Two	58
Three or more	53
Child under 18 in home	58
By income	
Under $10,000	61
$10 - 14,999	54
$15 - 24,999	62
$25 - 39,999	53
$40,000 or more	53
By education	
Not high school grad	64
High school grad	57
Some college	53
College grad	49

(Continued)

Table 14 (continued)

	Percent Who Clipped Coupons in the Last Three Months
Employed persons	51%
Working women	67
Homemakers	80
By region	
Northeast	51
North central	62
South	57
West	50
By metro area	
Non-metro	50
50 - 249,000	58
250 - 999,000	61
1 million or more	55
By newspaper readership	
Frequent reader*	56
Infrequent reader*	55
By newspaper delivery	
Any home delivery	57
Ever buy single copy	54
By newspaper circulation**	
Under 25,000	54
25 - 50,000	59
50 - 100,000	62
100 - 250,000	62
250,000 or more	50

Source: Newspaper Advertising Bureau
1987 National Readership Survey
(Form A Questionnaire)

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*Frequent readers read the newspaper four or five or the five weekdays preceding the survey; infrequent readers look at the paper at least once in awhile.

**Circulation of newspaper usually read.

Frequent newspaper readers are rather similar to infrequent readers with respect to all of the measures considered in this section: readership of FSIs, readership of supermarket ads, and coupon clipping from newspapers. In addition, those who have home delivery of a newspaper are quite similar to those who purchase a single copy (at least occasionally) with respect to the various measures.

2. Consumers' Response to FSIs and Direct Mail

Another study by the Newspaper Advertising Bureau (1987b) examined the advertising mail received by American households and also asked respondents to compare newspaper advertising with direct mail promotions. On a single day, 5% of the advertising mail delivered to American households contained coupons (national direct), with higher income households receiving more advertising mail, including coupons, than lower income households. But households that receive more advertising mail also throw out a higher proportion of it, although coupons are more likely to be saved than some other types of advertising mail. Overall, when asked to compare mailed advertising with newspaper advertising, respondents endorsed newspaper advertising, as shown in Table 15.

Table 15

PERCENT OF RESPONDENTS CHOOSING NEWSPAPERS OR DIRECT MAIL ACCORDING TO SELECTED CRITERIA

Criterion	Newspapers	Direct Mail
Makes it easier to compare prices at different stores	78%	19%
Helps me to decide where to shop	77	18
Advertises the kinds of products I'm most interested in buying	65	29
Gets me when I'm in the mood to read	62	34
Makes products look a lot better than they are	28	66

Source: Newspaper Advertising Bureau, 1987a

The St. Petersburg Times (1988) surveyed its four-county readership area and also asked respondents to compare inserts they find in their newspaper with advertising inserts they receive through the mail. (See Tables 16 and 17.) While the majority of adults in all demographic categories read both newspaper inserts and mailed inserts, one and one-half times as many adults thoroughly read newspaper inserts as thoroughly read mailed inserts. And, as shown in Table 16, newspaper inserts are viewed as more accessible, complete, and helpful by an overwhelming majority.

Table 16

PERCENT OF RESPONDENTS CHOOSING NEWSPAPER INSERTS OR MAILED INSERTS ON SELECTED CRITERIA

Criterion	Newspaper Inserts	Mailed Inserts
Which are more valuable to you in planning your shopping?	74%	8%
Which are easier to find when you want them?	73	12
Which advertises the kinds of products you're most interested in?	73	8
Which offers a more complete assortment of ads?	81	7
Which makes it easier to compare prices at different stores?	84	4

Source: St. Petersburg Times (1988)

Table 17

DEMOGRAPHIC CHARACTERISTICS OF READERS OF NEWSPAPER INSERTS AND MAILED ADVERTISING

	Percent Who Read:	
	Newspaper Inserts	Mailed Advertising
All respondents (N=890)	80%	72%
By sex		
Men	72	64
Women	87	80
By age		
18-34	86	78
35-49	83	70
50-64	73	70
65+	77	71
By household income		
Under $20,000	82	77
$20 - 34,999	84	77
$35 - 49,999	82	69
$50,000 or more	74	63
By education		
Not high school grad	75	77
High school grad	82	76
Some college	85	75
College graduate	75	63
Employed persons	82	71
Homeowners	81	72

Source: St. Petersburg Times (1988)

IV. INDUSTRY TRENDS: THE MANUFACTURER'S PERSPECTIVE

1. The Prevalence of Couponing as a Promotional Activity

Donnelley Marketing has for many years been surveying marketing executives who are responsible for a large portion of sales promotions for nondurable goods and services in the U.S. Its 10th Annual Survey of Promotional Practices (1988b) provides a snapshot of couponing from the perspective of manufacturers of a variety of grocery products and health and beauty aids.

Couponing as a promotional activity is nearly universal: 96% of the surveyed firms used couponing (consumer direct) in 1987, up slightly from 94% in 1985. More than half also use couponing in retailers' ads (57% in 1987, 53% in 1985). While firms with sales of $1 billion or more are virtually identical to smaller firms in their use of couponing-consumer direct, more larger firms also place coupons in retailers' ads (64% versus 52%).

Donnelley also asked manufacturers about the importance of various promotional techniques based on total expenditures for each. Table 18 displays this information. In 1987, couponing (consumer direct) was the single most important promotional activity for two-thirds of the manufacturers; it ranked among the top three most important for 85% of the firms. These figures represent a modest increase in the role of couponing for these firms since 1985. Couponing in retailers' ads is rarely the leading promotional activity, but it ranks among the top three for about one firm in seven.

Table 18

PERCENT OF COMPANIES RANKING IMPORTANCE OF PRINCIPAL CONSUMER PROMOTIONS BY DOLLARS SPENT ON EACH

Promotion	1987 Most Important	1987 1st, 2nd or 3rd Most Important	1985 Most Important	1985 1st, 2nd or 3rd Most Important
Couponing, consumer direct	66%	85%	62%	77%
Cents-off promotions	18	49	21	46
Money-back offers/ cash refunds	4	57	3	62
New product sampling	4	23	3	21
Couponing in retailers' ad	3	14	3	17
Established product sampling	3	13	3	13

Source: Donnelley Marketing 10th Annual Survey of Promotional Practices (1988b)

2. Media Used to Distribute Coupons

Manufacturers use a variety of media for coupon distribution, most notably FSIs, in/on-pack distribution, and direct mail. (See Table 19.) Between 1986 and 1987, the surveyed firms increased their use of direct mail and de-emphasized couponing in magazine ads. Large and small firms are equally likely to use FSIs, but larger firms otherwise employ a greater variety of distribution media. The greater use of manufacturers' ads in newspaper ROP sections, magazines, and Sunday supplements, in particular, differentiates larger firms from smaller firms. Table 20 summarizes the choice of media for coupon distribution reported by firms participating in Donnelley's surveys over the last five years. The increasing importance of FSIs discussed earlier in this report is supported by these data as well.

Table 19

PERCENT OF COMPANIES USING EACH COUPON MEDIUM

Medium	1987	1986	1987 Largest Firms*	1987 Smaller Firms*
Newspaper, FSI	94%	94%	96%	95%
In-pack/on-pack	94	93	100	88
Direct mail	82	77	88	71
Newspaper, ROP, manufacturer's ad	74	75	96	62
Newspaper, ROP, co-op	72	74	84	69
Magazines	65	71	88	59
Newspaper retailer in-ad	57	56	64	50
Sunday supplements	49	50	68	38

Source: Donnelley Marketing 10th Annual Survey of Promotional Practices (1988b)

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*Annual sales volume of largest firms, $1 billion or more, of smaller firms less than $1 billion.

Table 20

PERCENT OF COMPANIES REPORTING USE OF EACH COUPONING MEDIUM, 1983-1987

Medium	1987	1986	1985	1984	1983
Newspaper, FSI	94%	93%	92%	88%	87%
In-pack/on-pack	94	90	84	86	87
Direct mail	82	78	86	82	79
Newspaper, ROP, manufacturer's ad	74	73	71	75	79
Newspaper, ROP, co-op	72	79	79	74	72
Magazines	65	67	67	63	76
Newspaper retailer in-ad	57	45	51	38	50
Sunday supplements	49	40	55	48	59

Source: Donnelley Marketing Annual Surveys of Promotional Practices for 1983, 1984, 1985, 1986, and 1987 (in 1988b)

FSIs are also the leader when expenditures for the various distribution media are considered. For 79% of manufacturers, FSIs in newspapers are the most important distribution medium, and for 93% one of the three most important media. (See Table 21.) Direct mail, in/on-pack, and newspaper ROP co-op are frequent runners-up in the second and third most important positions. The allocation of resources to various coupon distribution media varies with the size of the firm. (See Table 22.) FSIs are somewhat less important, and newspaper ROP co-op much less important, for small firms than for large firms. Direct mail, on the other hand, is more important for smaller firms.

Table 21

PERCENT OF COMPANIES RANKING IMPORTANCE OF COUPON DISTRIBUTION MEDIA BY DOLLARS SPENT ON EACH IN 1987

Medium	Most Important	2nd Most Important	3rd Most Important
Newspaper, FSI	79%	12%	2%
Direct mail	7	27	12
Sunday supplements	7	2	2
In-pack/on-pack	3	27	29
Newspaper, ROP, manufacturer's ad	2	4	13
Newspaper, ROP, co-op	2	21	19

Source: Donnelley Marketing 10th Annual Survey of Promotional Practices (1988b)

Table 22

PERCENT OF LARGE AND SMALL COMPANIES RANKING IMPORTANCE OF COUPON DISTRIBUTION MEDIA BY DOLLARS SPENT ON EACH IN 1987

	Largest Firms		Smaller Firms	
Medium	Most Important	1st, 2nd or 3rd Most Important	Most Important	1st, 2nd or 3rd Most Important
Newspaper, FSI	88%	96%	76%	92%
Direct mail	4	40	10	51
Sunday supplements	0	0	10	14
In-pack/on-pack	4	56	2	60
Newspaper, ROP, manufacturer's ad	4	20	0	17
Newspaper, ROP, co-op	0	60	0	26

Source: Donnelley Marketing 10th Annual Survey of Promotional Practices (1988b)

3. Continued Prospects for Couponing

In projecting the dollar value of couponing as a promotional technique throughout the remainder of 1987, 58% of firms predicted that they would make more use of couponing, 17% predicted less, and 25% predicted no change. Historically, the answers to this question in the promotional practices surveys have modestly understated actual couponing activity for the year in question.

V. CURRENT ISSUES IN COUPONING

1. Trends in the Couponing Industry

Consolidation

1988 saw a further consolidation of the FSI industry (Gersh, 1988a,c; Petersen, 1988; Serafin, 1988). Rupert Murdoch's News America purchased Quad/Marketing and Product Movers, the second and third ranking FSI companies, respectively. While Quad and Product Movers are to remain distinct organizations at least for the immediate future, their combined share now slightly exceeds that of Valassis, the prior industry leader. Competition within the industry drove the three firms' combined number of insert dates to 125 in 1988, but the industry plans a return to around 105 dates in 1989.

Competition from National Color ROP Ads

FSIs will now face competition from the Four Color Newspaper Network, which has begun to offer high quality, color ROP coupon ads to national advertisers (Editor & Publisher, 1988; New York Times, 1988). The Network, which is represented by Gannett National Newspaper Sales, includes 270 member papers (some Gannett, some not), all of which must pass a quality control production test. The Network, whose member papers have a combined circulation of 26 million, offers national advertisers one-stop shopping combined with regional variation. Advertisers must buy a minimum circulation of one million, but there are no restrictions on which papers are used. Some advertisers who have already mounted coupon promotions through the Four-Color Advertising Network include American Tobacco, Borden, Brown & Williamson, Campbell Soup Co., Clorox, General Mills, Kraft, Land-O-Lakes, Pepsico, Philip Morris, Procter & Gamble, and RJR/Nabisco.

"Partnership Pages"

Still another innovation was announced by Quad/Marketing at the 1988 meeting of the International Newspaper Advertising and Marketing Executives (Gersh, 1988b). Under this plan, called "Partnership Pages," newspapers will be offered two pages per FSI to sell non-competitive advertising at their own rates.

2. Technological and Procedural Advances

A variety of advances are occurring that promise to improve the efficiency of coupon handling, minimize misredemption and coupon payment denial, target coupons to likely prospects, and address retailer concerns about the impact of couponing on their operations.

Electronic Scanners

One development is the increasing use of electronic scanners in supermarkets and the presence of UPC symbols on coupons. In a recent study by the Newspaper Advertising Bureau (1988), a panel representing the grocery industry -- manufacturing and distribution, wholesale and retail -- predicted that 75% of all manufacturers' price-off coupons will be UPC scanned by 1995. Currently about 70% of coupons carry a Universal Product Code (UPC) and 17% also carry additional manufacturer bar-coded marketing data. Expiration dates are not now generally included in the bar codes, but they are expected to be incorporated in the future.

But the use of scanners for coupon redemption is limited by the imperfect penetration of scanners into grocery stores (Nielsen Marketing Research, 1988). The number of grocery stores with scanners grew rapidly in the early 1980s, with an annual growth rate of 56% in 1981 and 42% in 1982. But as the pool of non-scanning stores has shrunk, the rate of growth has leveled off -- to 11% in 1987 and a projected 9% in 1988 and 8% in 1989. Nationwide, scanning grocery stores represent 62% of estimated dollar all commodity volume. But the prevalence of scanners varies greatly from city to city and is higher in large stores than in small ones. For example, Denver, the leading scanning market, has more than three times the scanning activity of Charlotte, where scanning is relatively rare (74% versus 23% of all commodity volume). While supermarkets with volumes over $4 million have even higher rates of scanning than the group as a whole, geographic variation remains great, with Charlotte at the bottom of the list (35% of dollar all commodity volume) and Jacksonville at the top (90%).

Scanners can both speed the processing of coupons and minimize misredemption (Audit Bureau of Circulations, 1988b). When used at the check-out line, scanners can automatically confirm that the promoted product is purchased (including a check on size, quantity, or other special requirements) and can compute the refund due the customer. Manufacturers estimate that these efficiences translate into savings of three to five cents per coupon in retailers' handling costs and additional savings from the lessened likelihood of misredemption.

The "Coupon Eater"

Other point-of-sale innovations are also in the pipeline. One is an electronic "coupon eater" that was described at the Audit Bureau of Circulations' 1988 Coupon Forum. The coupon eater will check the validity of coupons offered by a customer, calculate savings, make records of the transactions (which are summarized for reimbursement purposes), and then destroy the coupons. Where sophisticated point-of-sale systems already exist, however, the coupon-eater may be largely redundant.

The Coupon Check

Another innovation is the "coupon check," which can be deposited directly to a retailer's bank account rather than being reimbursed through a clearing house (Graham, 1988). Retailers are thus reimbursed more quickly, and manufacturers get quicker feedback on the success of their promotions. But because coupon checks are real checks, they must be printed in accordance with Federal Reserve requirements to discourage counterfeiting, thus making coupon checks somewhat more expensive to produce than traditional coupons.

In-store Coupon Dispensers

Coupon dispensers in the supermarket are another innovation. One variation is the Vision 1000 interactive supermarket checkout system recently tested by Procter and Gamble (Gallagher Report, 1988). The system allows customers to choose between a cash refund, a discount on bulk purchases, and entry into product sweepstakes. In the future, Vision 1000 may include a means for rewarding brand loyal customers through the use of a "smart card" that would electronically track the consumer's purchase patterns. Another variation on checkout distribution of coupons is the "Coupon Solution," which the Catalina Marketing Corporation has installed in about 1500 supermarkets nationwide (Kessler, 1988). This scanner based system analyzes the customer's purchases and then issues coupons targeted to the kind of customer suggested by the purchase pattern. Coupons may be issued for competing brands of the product the customer purchases or for related products.

A Data Bank of Eligible Retailers

Other developments are designed to minimize the problems of misredemption and coupon payment denial. A central list is now being assembled of retailers eligible to redeem coupons (Audit Bureau of Circulations, 1988a). While individual manufacturers have often compiled their own lists, the central list will be more efficient and complete. The list will include information about the size of the store and the types of products sold, which will aid in evaluating retailers' redemption claims. Other efforts are underway among clearing houses and manufacturers to evaluate redemption claims more systematically, to make prompt payment for properly redeemed coupons, and to communicate more effectively with retailers about questionable claims.

Security Provisions

Maximizing the physical security of coupons and keeping careful records also work against misredemption. The Audit Bureau of Circulations Coupon Distribution Verification Service (n.d.) recommends careful supervision of persons involved in the printing, insertion, and distribution of FSIs. It further recommends secure storage of FSIs and careful accounting and record keeping at every stage of the printing and distribution process. Unsold newspapers, including inserts, should be disposed of properly or returned to the plant, where the inclusion of inserts can be verified and the inserts destroyed. And, negatives, artwork, and printing plates containing coupons should be stored securely and then destroyed after publication.

3. Conceptualization and Design of the Coupon Ad

Purpose of the Coupon Ad

Like any ad, the coupon ad should be driven by its intended purpose. Depending on the promoted product and its status in the marketplace, the purpose of a promotion might include a short-term increase in sales, product trials, brand switching, or an increase in the number of stores carrying the product.

It is clear that coupon ads increase product sales over the short run. A Newspaper Advertising Bureau (1987b) analysis of NABSCAN data on 50 ROP ads appearing between 1981 and 1984 showed that the typical coupon ad resulted in a median sales increase of 40% during the week the coupon appeared over the level of the previous week. And, in three-quarters of the cases, sales continued at an above average level the folowing week. Whether a coupon promotion has more enduring effects, however, may depend on other factors, such as whether the promotion is for a mature brand or a new product, as well as the message and overall design of the ad.

Creativity and Design

Creativity and design are as important in coupon ads as they are in other forms of advertising. Since ad coupons redeeming at the 75th percentile generally do three to four times better than those redeeming at the 25th percentile in the same medium, the quality of the ad probably makes a difference. Landsman (1984) recommends that coupon ads contain strong graphics, have inviting headlines, keep their message simple, and not downplay the inclusion of coupons. Based on its research on the readership of coupon ads, Donnelley Marketing (n.d.) recommends showing the product in use (or the results of use), showing the product with people (or part of a person), and using a well-known person in the ad. Mention of savings and the product's features or benefits is also helpful, as is the inclusion of recipes with a picture of the finished product.

Format of the Coupon Ad

The format of the coupon ad is important not only for encouraging the consumer to use coupons but also for simplifying processing and minimizing errors at every stage of the redemption process (Newspaper Advertising Bureau, 1988a). A coupon should be readily identifiable as a coupon, its dotted-line borders should be prominent, and it should not be an unusual shape or size. The coupon should also include a prominent notation at the top that it is a "MANUFACTURER'S COUPON" and either prominently display the expiration date or note "NO EXPIRATION DATE" at the top*. Important information on the coupon should be easy to read, and a UPC symbol should be included**.

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*Manufacturers prefer that coupons bear an expiration date in order to limit the time frame for their liability and to permit short-term measures of the effectiveness of their coupon promotions. Retailers, on the other hand, prefer coupons without expiration dates, since they must absorb the cost of any expired coupons they redeem. A review of 400 coupons issued in late 1986 and early 1987 showed that expiration dates were still the norm. Just 22% of the coupons examined had no expiration date, while 18% expired in thirty days or less, 40% in three to six months, 20% in six to twelve months, and 1% in more than a year (Summary Scan, 1987).

**The substantial increase in the placement of UPC symbols on coupons is one of the most dramatic recent developments in couponing. According to Donnelly Marketing's 9th Annual Survey of Promotion Practices (1987), 46% of companies surveyed in 1986 had completed the task of placing UPC symbols on their coupons, up from only 7% in 1984. An additional 24% were definitely committed to doing so, and another 24% anticipated doing so but had not made a firm decision. More than twice as many large firms ($1 billion or more in revenues) as small firms had completed the task, 65% and 31%, respectively. However, 28% of these smaller firms were definitely committed to placing UPC symbols on their coupons, and another 33% expected to do so but had not made a firm decision (33%).

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APPENDIX A

SOURCES FOR BUYING NEWSPAPER COUPON ADVERTISING

1. Newspaper Representatives

A complete list of newspapers and their "reps" can be found in:

- Editor and Publisher Yearbook
  11 West 19th Street
  New York, NY 10011
  (212) 675-4380

- Standard Rate and Data Service-Newspapers
  3004 Glenview Road
  Wilmette, IL 60091
  (312) 256-6067
  (800) 323-4601

The Four-Color Newspaper Network is represented by:

- Gannett National Newspaper Sales
  535 Madison Avenue
  New York, NY 10022
  (212) 715-5300

2. Sunday Magazines

- Parade Magazine
  750 Third Avenue
  New York, NY 10017
  (212) 573-7000

- Pennywhistle Press
  Box 500P
  Washington, DC 20044
  (703) 276-3780

- Sunday Magazine Network
  260 Madison Avenue
  New York, NY 10016
  (212) 689-8200

- USA Weekend
  535 Madison Avenue
  New York, NY 10022
  (212) 715-2100

- Vista — The Hispanic Magazine
  2355 Salzedo Street, Suite 301
  Coral Gables, FL 33134
  (305) 442-2462

3. FSI National Coupon Promotion Firms

- Product Movers
  621 Avenue of the Americas
  New York, NY 10011
  (212) 337-1000

- Quad/Marketing
  1290 Avenue of the Americas
  New York, NY 10104
  (212) 603-6000

- Valassis Inserts, Inc.
  Westwood Office Park
  36111 Schoolcraft Road
  Livonia, MI 48150
  (313) 591-3000

4. ROP National Coupon Promotion Firms

- The Sunflower Group
  10895 Lowell, Suite 300
  Overland Park, KS 66210
  (913) 451-2125

- Valassis Black and White
  P. O Box 888
  Wilton, CT 06897
  (203) 834-9400

APPENDIX B

ADDITIONAL SOURCES OF INFORMATION

- Audit Bureau of Circulations
  900 N. Meacham Road
  Schaumburg, IL 60173-4968
  (312) 605-0909

- Donnelley Marketing
  70 Seaview Avenue
  P.O. Box 10250
  Stamford, CT 06904
  (203) 353-7000

- Manufacturers Coupon Control Center
  187 Danbury Road
  Wilton, CT 06897
  (203) 762-7337

- Cherry Hill, NJ	(609) 662-1235
- Chicago, IL	(312) 867-2000
- Clinton, IA	(319) 242-4505
- Hackensack, NJ	(201) 441-4666
- Menlo Park, CA	(415) 321-7700
- Los Angeles, CA	(213) 263-9994
- New York, NY	(212) 868-8830

- Nielsen Promotion Services
  A.C. Nielsen Company of Canada, Limited
  160 McNabb Street
  Markham ON L3R 4B8 Canada
  (416) 475-3344

- Newspaper Advertising Bureau
  1180 Avenue of the Americas
  New York, NY 10036
  (212) 921-5080

- Summary Scan
  Advertising Checking Bureau
  165 North Canal, Suite 1350
  Chicago, IL 60608
  (312) 648-0500

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THE LOOK OF WINNING NEWSPAPER ADS

Research Findings on Ad Design to Promote Image, Traffic, and Sales

Newspaper Advertising Bureau, Inc.
1180 Avenue of the Americas
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This document is one of a series of marketing
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newspaper business and its advertisers.

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EXECUTIVE SUMMARY

How do "good" newspaper ads differ from "poor" ones? We asked retail advertising professionals who create or oversee store advertising to examine a cross-section of 1009 ads that ran in the 30 largest papers on Sunday, August 23, 1987. The experts rated each ad as either "good," "okay," or "poor" for each of three purposes -- enhancing image, building traffic, and promoting sales. We then identified the layout features that distinguish "good" ads from "poor" ads according to one definition -- the collective wisdom of those who commission and create newspaper advertising.

No absolute rules emerged: every design element appeared in both "good" and "poor" ads. But overall, ads rated "good" by experts differ in important ways from those rated "poor." The distinguishing features of highly rated ads suggest the following opportunities for improved newspaper advertising:

1. Illustrations should be more prominent. Ads for retail products benefit from illustrations covering half or more of the ad, whether the purpose is to build image, traffic, or sales. Yet only 52% of ads for retail products do so.

2. The use of color should be expanded. Color enhances both image and sales ratings in ads for retail products, but fewer than one-fifth of such ads use color.

3. The purpose of the ad must guide ad design. While the experts view traffic and sales ads as similar, image ads are seen in a very different way. Nonetheless, an ad that does a "good" job of promoting its primary purpose is almost never seen as doing a "poor" job for another. To elaborate . . . .

IMAGE ads have a distinctive look . . .

- IMAGE ratings are influenced by more layout features than either traffic or sales ratings.

- Highly rated IMAGE ads are characterized by a distinctive look or style, particularly with regard to illustrations:

  - Illustrations. A single illustration or, for a retail product, a major illustration accompanied by one or more minor illustrations; people shown in photos; if a retail product, the product shown in use or action or the results of use shown; and, if a service, a symbolic or descriptive depiction of product use, benefits, or results.

  - Headlines and sub-heads. In ads for retail products, mention of the brand, but not the store, in the head or sub-head; in non-store ads, a head or sub-head related to the product. In ads smaller than 63 column inches and in non-store ads, avoidance of "high attention" heads of large type (72 point or more), all caps, or several lines.

  - Other style features. A single advertised item, accompanied by body copy without cut lines; a single logo, located toward the bottom of the ad, off center; and copy of 50 words or less even in the largest ads. (Ads with 200 or more words tend to be judged poor on image regardless of size.)

- IMAGE ads do better without reference to price: no mention of price, sale, other price incentives, or credit cards.

TRAFFIC and SALES ads call for immediate results . . .

- Ads judged good at promoting SALES include features -- particularly a headline or sub-head -- that help to catch reader attention and convey important information. Helpful features include:

  - Both a headline and a sub-head; a "high attention" head of large type, all caps, or several lines; a head or sub-head related to the product; and possible mention of the store or place where the product or service can be obtained. These features are particularly important in ads for non-store categories like travel, real estate, and services.

- Size makes an important impact in TRAFFIC and SALES ads. Ads of 63 column inches or more were rarely rated poor at building traffic or sales. In addition to attention-getting value, larger ads include more features and are able to make a more complete presentation of selling points.

In an era of declining customer loyalty, good newspaper advertising takes on new importance. As NAB research has demonstrated over the years:

- Few people are in the market for a particular product on any given day, but newspaper ads provide a mechanism for reaching prospects at the time they are predisposed to buy;

- Newspaper ads achieve high levels of exposure, particularly among prospects and more affluent readers;

- Newspaper ads are important in stimulating unplanned purchases;

- Ads are an important attraction of the newspaper for its readers.

By identifying the design elements common to ads that advertising professionals say are good examples of their craft, it is hoped that this study will contribute to the design of winning newspaper ads tailored to the advertiser's purpose -- whether building image or generating traffic and sales.

I. INTRODUCTION

What makes a newspaper ad good? Are good ads the product of an undecipherable creative process, or do they share some common principles expressed through observable design elements? The answer, we believe, is a combination of both.

This study was conducted in order to determine how good newspaper advertising handles a myriad of technical design elements, such as headline placement, amount and style of copy, and layout of illustrations. It did not probe the "black box" of the creative process or try to codify such creative products as metaphor, plays on words, or cleverly worded headlines. Nor did it seek to dictate a "formula" for good newspaper advertising: the creative process will always find ways to produce outstanding ads by defying conventional wisdom. Conversely, lackluster ads are sometimes produced regardless of whatever rules may be identified.

In order to examine the ad layout or design elements common to good newspaper ads, two problems had to be solved. One of them was to find a way to identify a "good" ad. An ad's success at getting the newspaper reader to do something -- read the ad, go into the store, or buy the product -- depends not only on the content and appearance of the ad but also on external factors including marketing and merchandising decisions, characteristics of the reader, and product category. If merchandise doesn't keep the ad's promises, often there is no sale. A second problem was to describe the design elements of the tested ads systematically.

Our solution to the first problem was to focus on the ad itself, rather than the external factors. So, we turned to experienced retail advertising professionals -- those who oversee the creation of newspaper ads and who decide what their store's advertising will look like. Simply by looking at a group of ads, could a jury of these experts making independent judgments reach consensus about which ads are good and poor examples of their craft? If so, we would then have the basis for identifying the design principles of good and poor newspaper advertising according to one definition -- the collective wisdom of those who commission and create it.

Recognizing that different ads have different purposes, we asked each member of our panel to rate a sample of ads according to their appropriateness for three purposes: (1) enhancing image; (2) building traffic; (3) and promoting sales. Because the findings are based on the consensus of experienced advertising professionals, they may tend to represent the traditional or classic face of newspaper advertising more than leading edge design.

To solve the second problem, coders measured 44 different design features of the ads. They focused on what the ad said and showed, rather than what might be implied or communicated by the ad. Because the study was concerned with these technical features, the coders did not consider content and meaning even though they undoubtedly entered into the ratings.

This study was conceived by Alfred Eisenpreis, NAB Senior Vice President, and directed by Carolyn A. Eldred of the NAB Research Department. Polaris Research collected the ad ratings from the expert jury, while Trewhella, Cohen & Arbuckle (TCA) and Cooper Services coded the characteristics of the sample of ads. TCA also tabulated the data.

II. STUDY METHOD

A. Newspapers and Ads Represented in the Study

Rather than draw on a nationally representative sample of newspapers or ads, this study focused on the Sunday ads seen by the most people -- those appearing in large papers that serve major markets. A sample of ads was selected from the August 23, 1987 issue of the top 30 newspapers in Sunday circulation in the U.S. Their combined circulation of 21,007,247 accounts for 36% of total Sunday circulation. These papers include a large selection of ads from the largest and most prestigious stores and chains as well as a good representation of national ads.

Ads in all product categories and from all sections of the paper (except inserts) were included in the study. The only eligibility criterion was size: ads were excluded if they were less than one-fourth of a broadsheet page in size. The ads were randomly selected from the nearly 4000 eligible ads appearing in the 30 papers in proportion to each paper's share of the combined total circulation. The resulting sample of 1009 ads was sorted into 10 portfolios, consisting of about 100 ads each.

B. Expert Ratings of the Ads

Every ad was rated as either "good," "okay," or "poor" on its value for building image, traffic, and sales. Each portfolio was rated by six experts, for a total of 60 expert raters overall.

The raters were senior retail advertising professionals, including advertising directors, marketing or sales promotion directors, and creative directors. They were drawn in approximately equal numbers from major department stores and speciality stores. The raters represented 46 different retail establishments, with more than one rater being drawn from some of the largest department stores. Six major metropolitan areas were represented in the study*.

The order of presentation of ads within each portfolio varied from rater to rater. Each rater spent about 45 minutes rating the ads and received an honorarium for participating in the study.

C. Identification of the "Good" and "Poor" Ads

Every ad received a single summary score for each purpose (building image, traffic, and sales) based on the individual expert ratings and on the degree of consensus among the raters. To classify an ad as "good" or "poor" for each purpose, ratings of "okay" were ignored and a near consensus on the remaining ratings was required. Ads not eliciting sufficient consensus to be scored "good" or "poor" for a given purpose were termed "okay" for that purpose.

---

*Raters across the six sites were distributed in rough proportion to the number of department store listings for each metro area in the Standard Directory of Advertisers: New York, 24; Chicago, 12; Atlanta, 6; Washington, 6: Los Angeles 6; and San Francisco, 6.

D. Coding of Design Elements

For each ad, 44 different design or ad layout features were coded, including many that had proved important in earlier Bureau research. The specific characteristics coded reflected the general characteristics of the ad (e.g., its size and shape), illustrations, copy, headlines and sub-heads, logos, price, incentives, credit card advertising and the context for the ad (e.g., editorial environment and placement on the page). The Glossary, located in the Appendix, indicates how these design elements and other key terms were defined for the purpose of the study*.

E. Identification of the Characteristics of "Good" and "Poor" Ads

Ads with an overall score of "good" for each purpose were compared to those with an overall score of "poor"**. In order to identify the key design features associated with high ratings, the traditional .05 level of statistical significance was used (meaning that there is only 1 chance in 20 that an observed difference is due simply to chance variation). Differences falling between the .05 and .20 significance levels were judged equivocal, or "possibly" important, while those that failed to achieve the .20 level were judged not to matter.

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*It was not possible to distinguish reliably between national and retail ads, so this characteristic was not coded. We estimate, however, that between 11% and 19% of the sampled ads were national ads. National ads appear to share many of the characteristics of highly rated image ads.

**The study sought to profile the characteristics that distinguish good craft from poor, while the middle ground would presumably reflect current general practice. Thus, ads rated "okay" for each purpose did not enter directly into the analysis, except for the requirement that they fall between the "good" and the "poor" groups if differences are reported.

III. FINDINGS

A. How the Experts Rated the Ads

As shown in Table 1, the experts rated the majority of ads as "okay" for all three purposes: building image, traffic, and sales. In the eyes of the raters, the ads were better differentiated with respect to image than either traffic or sales. More of the ads were rated "good" for image building (19%) than for generating either traffic or sales (13%). At the same time, many more ads were rated "poor" on image than on traffic or sales (15% versus 3%). That means that only two-thirds of ads were considered "okay" on image, as compared with more than four-fifths for both traffic and sales. Because the traffic and sales ratings resulted in fewer ads rated "good" and "poor" -- the comparison groups for the analysis -- it was unlikely that as many design features would prove statistically discriminating for traffic and sales as for image.

Table 1

DISTRIBUTION OF ADS BY EXPERTS' RATINGS ON IMAGE, TRAFFIC, AND SALES

	Ad Purpose -- Building:		
Rating	Image	Traffic	Sales
BASE	1009	1009	1009
"Good"	19%	14%	13%
"Okay"	66	83	84
"Poor"	15	3	3

Raters gave similar ratings for the potential of individual ads to build traffic and sales, but they were inclined to view image-building separately. Ninety-one percent of the ads received the same rating on both traffic and sales (i.e., "good," "poor," or "okay"). This compares to 67% for image and traffic and 65% for image and sales.

When the combined ratings for all three purposes are considered, each ad could theoretically have any one of 27 combinations of ratings (three purposes with three possible scores each). In fact, however, just five rating combinations accounted for 89% of the ads, and nine accounted for 96%. These nine are listed in Table 2, ordered loosely from "good overall" through "okay" to "poor overall."

Table 2

DISTRIBUTION OF ADS BASED ON THEIR COMBINED RATINGS
ON IMAGE, TRAFFIC, AND SALES

Rating Combination	Percent of Ads
BASE	1009
"Good" for all three purposes	5%
"Good" for image, "okay" for traffic and sales	11
"Good" for traffic, "okay" for image and sales	2
"Good" for sales, "okay" for image and traffic	2
"Good" for traffic and sales, "okay" for image	5
"Good" for image and traffic, "okay" for sales	2
"Okay" for all three purposes	55
"Poor" for image, "okay" for traffic and sales	13
"Poor" for all three purposes	1

Just 5% of the ads were rated "good" for all three purposes, while 1% were rated "poor" across the board. An additional 22% were rated "good" for at least one purpose and either "good" or "okay" for the other purposes. As might be expected, the largest group is the 55% rated "okay" for all three purposes. The only other sizable groups, at 13% and 11%, respectively, are those that were "okay" on both traffic and sales but that were rated either "poor" or "good" on image. The virtual absence of many potential combinations of ratings resulted from (1) the infrequency of "poor" ratings for traffic and sales, (2) the similarity of ratings for traffic and sales, and (3) the fact that an ad rated "good" for one purpose was almost never rated "poor" for another.

While it is possible to create an ad that the experts think excels at promoting image, traffic, and sales, the highly rated multi-purpose ad is not the norm. Some specialization seems to be in order. However, the ratings also say that an ad that does a "good" job of promoting its primary purpose is almost certain to do at least an "okay" job for the others. Thus, specialization is a matter of emphasis, not one of pitting two competing objectives against each another.

Our assumption in undertaking the study was that the experts would respond to each ad in its entirety rather than to its discrete design elements. Later, our coders would help us to identify those individual design elements that are characteristic of highly rated ads. As shown in Table 3, this assumption was borne out by the comments of the raters in response to unstructured questioning at the close of the rating session*.

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*The spontaneous comments of the raters provide clues to the features they considered, but, because they were not specifically asked about each feature, do not necessarily indicate the relative importance of each.

Table 3

WHAT 60 RATERS LOOKED FOR IN THE ADS

Feature		Percent of Raters
Content of the Ad (Net)		95%
Value communicated in ad (Sub-net)		78
Good value	37	
Clear price information	28	
Clear offer/sales message	20	
Interesting/desirable product	18	
Savings information clear and compelling	17	
Incentives	13	
Clear product information	12	
Appropriate, consistent advertiser image		32
Strong offer/sales message		32
Concise -- not information overload		20
Clear advertiser identification & response mechanism (e.g., map, hours)		17
Attractive/desirable image projected		10
Competitive edge (distinguish from competition)		10
Appropriate (sized) selection		8
Immediacy of offer		7
"Unfinished business" -- leave enough out of ad to stimulate reader to come in to store		3
Overall Impression Created by the Ad (Net)		82
Attractive -- good, pleasing, coherent design or layout		53
Attention getting -- good first impression		40
Uncluttered, simple, organized		35
"Special" look (e.g., creative, clever, modern, bold)		32
Technical Design Elements (Net)		62
Illustrations -- effective, catch eye, display product well		35
Headline (various attributes mentioned)		25
"Simple" print format		17
Reproduction quality		13
White space		8
Size of ad: bigger is better, shouldn't overload small ad		8
Color		8
Features Encountered in Reading the Ad (Net)		50
"User-friendliness" of ad		38
Quality of copy		12
Ability of ad to hold reader's interest		7

Thirty different features were mentioned by the judges. The number spontaneously mentioning each ranged from 3% to 53% of the judges, with a median of 17%. Features mentioned by more than a quarter of the judges include: (1) visual attractiveness (mentioned by 53%), (2) attention-getting power (40%), (3) user friendliness* (38%), (4) good value (37%), (5) effective illustrations (35%), (6) an uncluttered, simple look (35%), (7) projection of an appropriate image (32%), (8) a strong offer or sales message (32%), (9) a "special" or creative look (32%), and (10) clear price information (28%).

Underlying the raters' comments are four themes: (1) the actual content of the ad, (2) the overall impression created by the ad as the reader scans the page for items of interest, (3) the treatment of certain technical design elements, and (4) the way the ad is experienced by those who pause to read it. Nearly all the raters (95%) mentioned some aspect of content, and four out of five (82%) addressed the "first impression" issue in some way. Nearly two-thirds (62%) mentioned one or more technical design details, although never at the level of specificity with which we coded them. Just half (50%), however, mentioned qualities experienced by those who pause to read the ad -- qualities like user friendliness, quality of copy, or the ad's ability to hold the reader's attention.

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*The ad's ability to communicate its message without making the reader work too hard -- the ease with which it is read and understood.

B. Layout Elements Associated with Ratings on Image, Traffic, and Sales

This section presents the results of the comparison of "good" and "poor" ads, based on the experts' ratings of each ad's appropriateness for enhancing image, building traffic, or promoting sales. Except where noted, the findings are above and beyond effects of size or product category. To put the findings in perspective, descriptive information about the sample of ads is also provided. The discussion is organized around the following characteristics that differentiate "good" and "poor" ads: illustrations, color, size, headlines and sub-heads, overall style, selling emphasis, and product category. The data are summarized in Table 4.

1. Illustrations

The treatment of illustrations is one of the most important features distinguishing highly rated ads. Ten out of every eleven ads in the sample are illustrated.

For retail product categories, illustrations that occupy at least half the ad are characteristic of highly rated ads -- whether the purpose is to promote image, traffic, or sales. Yet just 52% of ads for retail products -- and 49% of ads overall -- use illustrations that take up half or more of the ad's space. While only 4% of ads contain an illustration that fills the entire ad, this treatment is associated with high image ratings.

Illustrative technique is particularly important for ads rated high on image. Image ratings are enhanced by:

- A single illustration or, for a retail product, a major illustration accompanied by one or more minor illustrations. Overall, 39% of illustrated ads have just one illustration, and illustrated ads as a whole average four illustrations per ad. About a fifth (21%) of illustrated ads include a major illustration accompanied by one or more minor illustrations.

- People shown in photos, a characteristic of 29% of ads overall. Half the illustrated ads (53%) include no people, 17% depict them in line drawings, and 1% show people in both photos and drawings.

- The product shown in use or action or the results of product use shown, if a retail product. Overall, nearly half of illustrated ads (49%) display the product in still-life format only, while another 37% show product use, the results of use, or both.

- Some depiction of product use, benefits, or results in ads for services or other intangibles, a characteristic of 7% of all ads.

2. Color

Color is associated with high ratings for building image and sales in ads for retail product categories. ROP color tends to enhance sales ratings, while color in special sections like the magazine enhances image ratings.

Overall, however, use of color remains infrequent: 87% of the sampled ads are in black and white, 4% use ROP color, and 9% use color in special sections, typically the magazine. Color is more common in ads for retail products (18%) than in ads for non-store products (6%). Spot color predominates in ROP sections (63% of all ROP color), while full color predominates in magazine sections (88% of all "other" color). Ads using ROP color include more illustrations than black and white ads or color ads in special sections; they less often feature people in photos, a single advertised item, or body copy alone. Non-ROP color ads (especially those in the Sunday magazine) are more likely to show people in photographs and to mention the brand, rather than the store, in the headline or sub-head.

3. Size

Confirming general expectations, expert ratings suggest that when it comes to rating highly on traffic and sales, the size of the ad is a very important factor. Ads of at least half a broadsheet page were hardly ever rated "poor" for their potential to build traffic or sales.

The frequency of high image ratings also increases with size -- from 15% of ads of less than 63 column inches, to 24% of those between 63 and 126 column inches and 28% of those above 126 column inches. Yet size is less important for image ratings -- and other layout features more important -- than for either traffic or sales ratings.

Overall, however, large ads are in the minority: 64% measure less than 63 column inches. Approximately one-third of the ads in the sample occupy a full page or more, and 4% spread across two or more pages. (It must be remembered that ads below a quarter page were excluded from the sample.) Some of the reasons for higher ratings for larger ads are quite obvious. In addition to their ability to attract attention, larger ads can include more features than smaller ads. They typically feature more items, more illustrations, more copy, more logos, and are more likely to mention credit cards, prices, and sales. Size of the copy, headline, and sub-head also increase with the size of the ad, and so does the proportion of ad space illustrated. Apparently by seizing the opportunity to make a more complete presentation of selling points, larger ads earn higher ratings from the experts.

4. Headlines and Sub-heads

Headline and sub-head treatment is important for both sales and image ratings, but the two types of ads have different requirements.

For the sales objective, and particularly in ads for non-store product categories like travel, real estate, and services, the ratings suggest the importance of including:

- Both a headline and a sub-head. Almost all of the sampled ads (97%) have a headline, but only 58% have a sub-head.
- A "high attention" head of large type (at least 72 point), all caps, or several lines, a feature of 83% of ads overall.
- A head or sub-head that applies specifically to the type of product advertised (rather than general statements like "It's Back-to-School Time!"). Two-thirds of ads overall (68%) include a head or sub-head related to the advertised product.
- Possible mention of the store or place where the product or service can be obtained in the head or sub-head: 36% of ads that have a head or sub-head include the store name, and another 9% mention both the store and the brand.

Ads rated highly for image, by comparison, share these features:

- In ads for retail products, mention of the brand, but not the store, in the head or sub-head. Overall, 14% of ads that have a head or sub-head mention only the brand, while another 9% mention both the brand and store in the head or sub-head.
- In non-store ads, a head or sub-head related to the product.
- In ads less than 63 column inches and in non-store ads, avoidance of "high attention" headlines.
- Occasional use of unconventional headline placement: while 86% of all headlines are in the top third of the ad, an alternative placement distinguishes some highly rated image ads.

5. Style

Highly rated image ads are characterized by a distinctive look or style. They are particularly likely to feature:

- A single advertised item. Overall, about a third (35%) of ads over a quarter page advertise a single item only. Single-item ads are smaller than multiple-item ads, contain fewer illustrations, and are more likely to contain body copy without cut lines.
- Body copy only, without cut lines. Most ads (86%) include body copy -- 45% alone, 32% with cut lines, 7% with bullets, and 2% with both bullets and cut lines; 10% use cut lines alone.
- Sparse copy: 50 words or less is characteristic of even the largest ads that received "good" ratings for promoting image, while ads with 200 or more words tend to be judged "poor" on image regardless of size. Overall, a majority of ads (61%) include between 51 and 200 words of copy; another 23% include 200 to 500 words, and just 11% include 50 words or less. (At the extremes are 2% with no copy and 4% with 500 words or more.)
- Just one logo, located toward the bottom of the ad, off center. Most ads (63%) contain just one logo for the supplier of the product or service, while 15% include two or more. Of the possible locations for the main logo, the most common -- toward the bottom of the ad, off center -- is also the one that distinguishes highly rated image ads.
- Liberal use of white space or background: while just 4% of all the ads include two-thirds or more white space or background, the liberal use of white space is associated with high image ratings.
- Possibly an understated copy style, avoiding all upper case copy (found in 8% of all ads), and using type larger than 8 point but smaller than 18 point (an approach followed by 70% of all ads).

6. Selling Emphasis

Highly rated image ads avoid mention of price, sale, other price incentives, or credit cards. However, highly rated sales ads for retail products benefit from mention of dollar savings.

Overall, 68% of all ads and 79% of retail ads mention a price; 47% of all ads and 65% of retail ads mention a sale. Prices and sales are frequently mentioned together: 41% of ads mention both the price and a sale, 27% mention price only, 6% mention a sale only, and 26% mention neither the price nor a sale. The mention of the price and a sale are both associated with: larger ads, multi-item ads, an ROP environment, more illustrations, the product shown in still life format, the absence of people in the illustrations, more copy, the use of cut lines, and the advertising of credit cards (which occurs in about a third of ads).

7. Product Category

Ads for some products tended to score well on image, while ads for other products earned high ratings on traffic and sales. High ratings for image were particularly common in ads for clothing, accessories, toiletries, travel and entertainment, and corporate promotion. Ads for groceries and sundries were most likely to get high ratings for promoting traffic and sales.

Retail and non-store ads in the sample are about evenly represented among ads between a quarter and half a broadsheet page, while retail ads constitute nearly three-fourths of ads over half a page. Other differences associated with product category appear in Tables C-1 and C-2 in the Appendix. These differences include: editorial environment; use of illustrations; depiction of the product; portrayal of people; use of color; use of white space; mention of price, sale, and credit cards; style of copy; and headline treatment.

Table 4

CHARACTERISTICS OF HIGHLY RATED ADS

Ads Rated "Good" Are Significantly More Likely Than Ads Rated "Poor" to Include These Features:	Purpose for Which Ad is Rated Highly*: Image	Traffic	Sales	% of All Ads with Feature	% of Retail Ads with Feature
Illustrations					
Ad is illustrated	X			91%	97%
At least half the ad is illustrated	X	R	R	44	52
Entire ad is illustrated	X			4	4
1 illustration in ad	X			35	30
2 illustrations in ad	R			12	13
Major plus one or more minor illustrations	R,L			19	22
Less than 3 illustrations	S			47	43
Less than 7 illustrations	L			70	72
Inclusion of people	R,L			43	38
If people, shown in photos, not drawings**	X			62	60
If concrete product, not still-life depiction***	X			43	40
Product in use or action	R			20	21
Results of product use	R			10	14
Advertised item depicted even if not product	N			7	--
Major + minor illustrations, at least half of ad illustrated	R			10	13
At least half of ad illustrated, product use or results of use shown	R			23	28
Major + minor illustrations, at least half illustrated, use or results of use shown	R			6	8
Entire ad illustrated, use or results shown	R			2	3

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*KEY: X - applies regardless of size or product category; R - applies to retail ads; N - applies to non-store ads; S - applies to ads between 1/4 and 1/2 a broadsheet page; L - applies to ads of 1/2 a broadsheet page or larger.

**Base consists of ads that include people.

***Base consists of illustrated ads for a concrete product.

Table 4 (continued)

Ads Rated "Good" Are Significantly More Likely Than Ads Rated "Poor" to Include These Features:	Purpose for Which Ad is Rated Highly:			% of All Ads with Feature	% of Retail Ads with Feature
	Image	Traffic	Sales		
Use of Color					
Any color	R		R	13%	18%
Non-ROP color	X			9	13
Ad Size and Location					
63+ column inches	R	X	X	36	42
126+ column inches		X	X	12	14
Ad located below fold*	S	S,N	S	64	65
Ad not centered on fold*	S,N	S,N		80	80
Headlines and Sub-Heads					
Ad includes both head and sub-head		N	N,S	58	60
High attention head**			S,N	83	85
Not high attention head	S,N			17	15
One-line head	R			27	31
Head not in all caps	X			46	42
Head of mixed upper & lower case	L			43	39
Head not in top third of ad	X			11	9
Head or sub-head related to advertised product	N,L	N	N,S	68	65
Brand (not store) mention in head or sub-head	R			14	20
High information head or sub-head***			N	49	46

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*Base excludes ads that are full-page or larger.

**A headline of large type (at least 72 point), all caps, or several lines.

***A headline and/or sub-head that includes the name of the advertiser (store and/or brand) and/or the advertiser logo and also relates specifically to the product being advertised.

Table 4 (continued)

Ads Rated "Good" Are Significantly More Likely Than Ads Rated "Poor" to Include These Features:	Purpose for Which Ad is Rated Highly:			% of All Ads with Feature	% of Retail Ads with Feature
	Image	Traffic	Sales		
Style					
Single item featured	X			35%	15%
White space two-thirds or more of ad	S			4	3
Exactly one logo	X			63	59
Single logo located toward bottom of ad, off center	X		S	28	24
Body copy only (no cut lines)	X			45	30
50 words or less of copy	X			12	12
Not 200 or more words of copy	X			74	74
Not all lower case copy			N	92	92
Not all upper case copy	R			92	89
Not copy less than 8 point	X			96	96
Not copy 18 point or larger	R			75	77
Selling Emphasis					
No mention of price	X			32	21
No mention of sale	X			53	35
No mention of other incentives	X			70	63
No mention of credit cards	X			66	54
Mention of dollar, not percent, savings			R,S	21	27
Product category					
Clothing/accessories	X			16	26
Groceries/sundries	X			7	12
Travel/entertainment	X			14	--
Corporate promotion	X			4	--

IV. CONCLUSIONS

This study, the first of its kind, is noteworthy in a number of ways. First, it showed that senior advertising professionals can agree that certain ads provide particularly good or poor examples of their craft. In the experts' view, the vast majority of ads are either satisfactory for building image, traffic, and sales (55%) or good for at least one purpose and satisfactory for the others (27%); 5% of ads do an especially good job at promoting all three objectives, and a mere 1% do a poor job across the board.

Second, although the consensus of the raters was based on examination of each ad as a totality, the study demonstrated that the good and poor examples differ with respect to a wide range of highly specific design elements, such as headline treatment, use of illustrations, placement of logos, and mention of price.

Third, the study showed that image-enhancing ads are perceived as differing from ads intended to build either traffic or sales. Sales and traffic generating ads are not perceived as very different from each other, however.

Finally, the study combined a mechanism for identifying desirable characteristics in three types of newspaper ads with a one-day snapshot of what newspaper ads actually look like. In this way, the study pinpointed a number of opportunities for improved newspaper advertising. Just what are these opportunities?

- Illustrations should be more prominent. Ads for retail products benefit from illustrating half or more of the ad, whether the purpose is to build image, traffic, or sales. Yet only 52% of ads for retail products do so.

- The use of color should be expanded. Color enhances both image and sales ratings in ads for retail products, but fewer than one-fifth of such ads use color.

- The purpose of the ad must guide ad design. While the experts view traffic and sales ads as similar, image ads are seen in a very different way. Ads judged "good" at promoting sales include features -- particularly a headline or sub-head -- that help to catch the reader's attention and convey important information. In contrast, image ads are characterized by a distinctive look or style, particularly with regard to illustrations, and by the absence of an emphasis on "closing the deal." These differences notwithstanding, an ad that does a "good" job for one purpose is almost never seen as doing a "poor" job for another.

At a time when retailing is facing many challenges and customer loyalty may be a thing of the past, newspaper advertising takes on new importance. As NAB research has shown over the years:

- Few people are in the market for a particular product on any given day; newspaper ads provide a mechanism for reaching prospects at the time they are predisposed to buy;

- Newspaper ads achieve high levels of exposure, particularly among prospects and more affluent readers;

- Newspaper ads are important in generating unplanned purchases; and

- Ads are an important attraction of the newspaper for its readers.

Given the critical role played by newspaper advertising, it is important to ask what a good ad looks like. By identifying the design elements common to ads that advertising professionals say are good examples of their craft, it is hoped that this study will provide a framework for thinking about improved, customer-oriented newspaper advertising.

APPENDIX A

Supplementary Tables -- Characteristics of Ads

HOW TO INTERPRET TABLE A-1

The body of this report discusses only those ad characteristics that proved important when examined with ad size and product category (retail versus non-store) held constant. Some of the findings apply to the total sample of ads, while others, identified in the text or Table 4, apply only to certain types of ads. By contrast, Table A-1 shows how the sample of 1009 ads was distributed with respect to all of the 44 design features coded. It also indicates the importance of each feature for "good" and "poor" ratings in the sample as a whole. The reader should exercise judgment in interpreting the table, however, because features shown to be important statistically may actually be a function of other important features like ad size. Reference to Tables B-1 through B-6 in Appendix B, which document features that tend to occur together, should be of help in weighing the relative contribution of features identified as important in Table A-1.

Percentages given in Table A-1 under image, traffic, and sales all represent differences between the "good" and "poor" groups that are significant at the .05 level. Those that are underlined represent significant differences of at least 15 percentage points between the "good" and the "poor" group.

Equal signs (=) in the table indicate that the proportions of the "good" and "poor" groups manifesting the value of the variable do not differ at the .20 level of significance.

Plus (+) and minus (-) signs identify features that distinguish the "good" and "poor" groups at the .20 level of significance, but not at the .05 level, thus signifying features that are "possibly" important. The plus sign denotes the group ("good" or "poor") that has the higher proportion of ads with the attribute, while the minus sign identifies the group with fewer such ads. The table indicates, for instance, that black and white ads more often receive a "poor" than a "good" rating on image and that the opposite is true for those with two or more colors. Similarly, ROP color is "good" for sales, "possibly good" for traffic, and "possibly poor" for image.

Table A-1

CHARACTERISTICS OF ALL ADS AND OF THOSE RATED "GOOD" OR "POOR" AT BUILDING IMAGE, TRAFFIC, AND SALES*

	Percent of All Ads	Percent of Ads in Rating Category with Attribute					
		Image		Traffic		Sales	
		Good	Poor	Good	Poor	Good	Poor
BASE:	1009	190	156	146	29	128	34
General Ad Characteristics							
Use of color:							
black and white only	87%	82%	91%	=	=	84%	97%
spot color	4	=	=	=	=	=	=
two or more colors	10	14	6	=	=	+	-
ROP color	4	-	+	+	-	11	0
other color	9	15	3	=	=	=	=
Size in column inches:							
less than 63	64	-	+	50	86	49	79
63 - 125	23	=	=	+	-	=	=
126 or more	12	+	-	23	0	25	3
Ad as proportion of printed page:							
less than half page	44	=	=	-	+	37	59
half up to full page	21	=	=	-	+	=	=
full page or more	36	+	-	47	17	47	21
Ad shape:							
double-truck ad	4	7	1	=	=	=	=
ad on up to one page:							
vertical rectangular	79	75	84	=	=	+	-
horizontal rectangular	8	=	=	-	+	=	=
roughly square	10	+	-	=	=	-	+
Advertised items:							
single item	35	44	15	=	=	=	=
multiple item, same category	61	56	76	=	=	=	=
multiple item, mixed categories	5	0	10	2	10	-	+

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*See preceding note for instructions on how to read this table and the glossary for definitions of terms.

Table A-1 (continued)

	Percent of All Ads	Percent of Ads in Rating Category with Attribute					
		Image		Traffic		Sales	
		Good	Poor	Good	Poor	Good	Poor
BASE:	1009	190	156	146	29	128	34
Product category*:							
clothing/accessories	16%	29%	6%	=	=	=	=
groceries/sundries	7	16	6	13	0	16	0
appliances/electronics	7	4	17	=	=	=	=
home/garden	14	6	22	=	=	=	=
books/notions	2	=	=	-	+	=	=
automotive	14	5	27	=	=	-	+
travel/entertainment	14	16	4	+	-	+	-
real estate	8	=	=	=	=	=	=
employment	2	+	-	=	=	=	=
services	9	+	-	6	24	6	24
promotion	4	7	1	=	=	-	+
White space:							
(virtually) none	6	=	=	=	=	-	+
less than 1/3 of ad	46	=	=	=	=	=	=
1/3 to 2/3 of ad	44	=	=	=	=	+	-
2/3 or more of ad	4	7	2	=	=	=	=
Illustrations							
No. of illustrations:							
none	9	3	14	=	=	-	+
one	35	60	15	=	=	=	=
two	12	12	4	=	=	=	=
three to six	23	16	28	=	=	=	=
seven or more	20	10	40	=	=	+	-
Proportion illustrated:							
less than half (net)	56	38	62	-	+	52	71
none	9	3	14	=	=	-	+
less than half (but some)	46	36	48	=	=	-	+
half or more (net)	44	62	38	+	-	48	29
half or more but not all	41	52	37	43	21	46	21
entire ad is illustrated	4	10	2	-	+	-	+

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*Product categories are collapsed in this listing. A complete listing of the 52 product categories coded, along with the full distribution of ads by product category, appears in Table C-2.

Table A-1 (continued)

	Percent of All Ads	Percent of Ads in Rating Category with Attribute					
		Image		Traffic		Sales	
		Good	Poor	Good	Poor	Good	Poor
BASE:	1009	190	156	146	29	128	34
Content of illustration:							
advertised item not shown	6%	8%	2%	=	=	-	+
advertised item not concrete product but depicted	7	12	1	=	=	-	+
product/package shown as still life only	44	34	64	=	=	=	=
results of product use shown	10	=	=	=	=	+	-
product in use/action shown	20	27	8	=	=	=	=
both use and results shown	3	=	=	=	=	=	=
Depiction of people:							
illustration but no people	48	44	60	=	=	=	=
people shown in photos	26	41	10	=	=	=	=
people shown in drawings	15	=	=	+	-	+	-
if illustration with people:							
depicted in photos	62	77	40	=	=	=	=
depicted in drawings	35	24	60	=	=	=	=
Copy							
Amount of copy:							
none	2	6	0	=	=	-	+
50 words or less	11	18	5	=	=	=	=
51 to 200 words	61	=	=	=	=	=	=
200-500 words	23	16	41	=	=	=	=
500 words or more	4	=	=	-	+	=	=
Type of copy:							
body copy only	45	57	24	=	=	-	+
bullets only	1	=	=	=	=	=	=
cut lines only	10	-	+	=	=	+	-
body copy with bullets	7	2	7	=	=	=	=
body copy with cut lines	32	24	47	=	=	=	=
bullets with cut lines	2	=	=	=	=	=	=
all three	2	1	5	=	=	=	=
Copy style:							
all caps	8	4	13	=	=	=	=
all lower case	8	=	=	=	=	5	15
mixed upper and lower	82	=	=	=	=	+	-

Table A-1 (continued)

	Percent of All Ads	Percent of Ads in Rating Category with Attribute					
		Image		Traffic		Sales	
		Good	Poor	Good	Poor	Good	Poor
BASE:	1009	190	156	146	29	128	34
Copy size:							
smaller than 8 pt.	4%	1%	9%	=	=	=	=
8 up to 12 point	31	+	-	=	=	=	=
12 up to 18 point	39	=	=	=	=	=	=
18 point and larger	25	-	+	=	=	=	=
Price/Incentives/Credit Cards							
Price(s) mentioned	68	51	90	+	-	73	53
Sale mentioned (net):	47	28	70	=	=	+	-
percent off	7	=	=	=	=	=	=
dollar savings	21	13	29	+	-	28	9
both percent and dollar	13	8	17	=	=	=	=
unspecified savings	7	2	15	=	=	=	=
Other price incentives mentioned (net):	30	16	47	=	=	=	=
cents-off coupon	5	3	9	=	=	=	=
bonus/gift/offer/rebate	19	12	33	=	=	=	=
Credit cards advertised*							
store credit	19	16	24	+	-	=	=
VISA	24	17	33	=	=	=	=
MasterCard	24	17	33	=	=	=	=
Discover	9	6	16	=	=	=	=
American Express	13	=	=	=	=	=	=
Diners Club	2	=	=	=	=	=	=
Carte Blanche	1	=	=	=	=	=	=
Choice	2	=	=	=	=	=	=
"major credit cards"	3	=	=	=	=	=	=
none mentioned	66	75	53	=	=	=	=
Heads and Sub-heads							
No headline	3	=	=	-	+	3	12

---

*Multiple mentions possible.

Table A-1 (continued)

	Per-cent of All Ads	Percent of Ads in Rating Category with Attribute					
		Image		Traffic		Sales	
		Good	Poor	Good	Poor	Good	Poor
BASE:	1009	190	156	146	29	128	34
Headline location:							
in top third of ad	86%	77%	91%	+	-	=	=
in middle third of ad	4	5	1	=	=	=	=
in bottom third of ad	6	13	3	=	=	+	-
Lines in headline:							
one	27	34	19	=	=	=	=
two	34	=	=	=	=	=	=
three	21	-	+	=	=	=	=
four or more	16	-	+	-	+	=	=
No. of words in head:							
one	3	=	=	=	=	=	=
two	13	=	=	=	=	=	=
three to five	38	-	+	=	=	-	+
six to eight	22	=	=	+	-	+	-
nine or more	21	=	=	=	=	=	=
Headline style:							
all caps	52	40	59	=	=	=	=
all lower case	3	6	1	=	=	=	=
mixed upper/lower case	43	52	36	+	-	=	=
Headline type size:							
<30 point	3	+	-	=	=	=	=
30 up to 42 point	13	=	=	=	=	-	+
42 up to 72 point	29	=	=	=	=	=	=
72 point or larger	52	-	+	+	-	+	-
No sub-head	42	=	=	-	+	35	56
Sub-head location:							
in top third of ad	40	30	40	=	=	=	=
in middle third of ad	9	=	=	=	=	=	=
in bottom third of ad	9	11	4	=	=	+	-
No. of lines in sub-head:							
one	23	=	=	=	=	=	=
two	19	=	=	+	-	+	-
three	7	8	3	=	=	=	=
four or more	9	=	=	=	=	=	=

Table A-1 (continued)

	Percent of All Ads	Percent of Ads in Rating Category with Attribute					
		Image		Traffic		Sales	
		Good	Poor	Good	Poor	Good	Poor
BASE:	1009	190	156	146	29	128	34
No. of words in sub-head:							
one	1%	=	=	-	+	=	=
two	4	=	=	=	=	=	=
three to five	19	=	=	+	-	=	=
six to eight	13	-	+	=	=	=	=
nine or more	20	+	-	=	=	=	=
Sub-head style:							
all caps	29	-	+	=	=	=	=
all lower case	2	+	-	=	=	+	-
mixed upper & lower case	27	=	=	=	=	=	=
Sub-head type size:							
<18 point	2	=	=	=	=	=	=
18 up to 24 point	8	+	-	=	=	=	=
24 up to 30 point	7	=	=	=	=	=	=
30 point or larger	40	-	+	+	-	+	-
Head or sub-head mentions:							
store, but not brand	35	=	=	=	=	33	15
brand, but not store	14	25	10	=	=	=	=
both store & brand	8	=	=	+	-	=	=
neither store nor brand	40	=	=	=	=	-	+
(no head or sub-head)	3	=	=	-	+	3	12
Is head or sub-head related to product?							
yes	68	69	57	=	=	66	47
no	30	28	39	=	=	-	+
Benefit head or sub-head:							
not present	87	=	=	=	=	=	=
"save money"	4	-	+	=	=	=	=
"have a good time"	1	+	-	=	=	=	=
"improve skills, get job"	1	=	=	-	+	=	=
Logos							
No. of logos:							
none	22	=	=	-	+	-	+
one	63	69	55	=	=	=	=
two	12	6	15	+	-	+	-
three	3	-	+	=	=	=	=

Table A-1 (continued)

	Percent of All Ads	Percent of Ads in Rating Category with Attribute					
		Image		Traffic		Sales	
		Good	Poor	Good	Poor	Good	Poor
BASE:	1009	190	156	146	29	128	34
Logo in headline	18%	-	+	=	=	=	=
Location of first logo:							
toward top, centered	14	7	14	=	=	=	=
toward top, off center	11	6	20	=	=	=	=
toward bottom, centered	23	=	=	=	=	=	=
toward bottom, off center	30	40	19	=	=	+	-
(logo not included)	22	=	=	-	+	-	+
Location of second logo:							
toward top, centered	1	=	=	=	=	=	=
toward top, off center	2	-	+	=	=	=	=
toward bottom, centered	6	2	6	+	-	=	=
toward bottom, off center	6	-	+	=	=	=	=
(second logo not included)	85	93	81	-	+	=	=
Context for Ad							
Location:							
left-hand page*	49	=	=	-	+	-	+
right-hand page	50	=	=	+	-	+	-
above fold**	15	-	+	=	=	-	+
below fold	64	+	-	69	42	69	44
centered on fold	21	=	=	14	33	=	=
gutter**	47	=	=	=	=	=	=
not gutter	53	=	=	=	=	=	=

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*Double-truck ads omitted.

**Base for "fold" and "gutter" variables excludes full-page ads.

Table A-1 (continued)

	Percent of All Ads	Percent of Ads in Rating Category with Attribute					
		Image		Traffic		Sales	
		Good	Poor	Good	Poor	Good	Poor
BASE:	1009	190	156	146	29	128	34
Editorial environment:							
general news	19%	+	-	=	=	=	=
business	3	-	+	=	=	=	=
classified	6	-	+	-	+	2	18
entertainment	7	10	3	=	=	=	=
food	1	+	-	=	=	=	=
home/garden/real estate	4	=	=	=	=	=	=
sports	6	2	8	-	+	-	+
TV/radio	1	=	=	=	=	=	=
none	43	=	=	53	31	55	27
Consecutive pages in ad:							
one	96	90	99	=	=	=	=
two	4	7	1	+	-	=	=
three or more	1	3	0	0	3	-	+
No. of other ads on page (greater than 2 sq. in.):							
none	49	+	-	60	31	60	35
one to two	29	-	+	-	+	=	=
three to four	11	=	=	=	=	=	=
five or more	12	-	+	8	28	7	24
Page type:							
broadsheet ROP	67	+	-	+	-	+	-
tabloid ROP	16	5	33	=	=	=	=
magazine, book review, TV magazine	17	25	6	-	+	-	+
Sunday circulation (broadsheet only):							
>750,000	48	61	46	=	=	=	=
500-750,000	31	=	=	=	=	=	=
<500,000	21	14	28	-	+	=	=
Combinations of Attributes							
More copy, illustrated	23	17	37	=	=	=	=
Less copy, illustrated	68	81	50	=	=	=	=
More copy, not illustrated	4	1	8	-	+	-	+
Less copy, not illustrated	6	-	+	=	=	=	=

Table A-1 (continued)

	Percent of All Ads	Percent of Ads in Rating Category with Attribute					
		Image		Traffic		Sales	
		Good	Poor	Good	Poor	Good	Poor
BASE:	1009	190	156	146	29	128	34
High white space, illustrated	3%	6%	1%	=	=	=	=
High white space, not illustrated	1	=	=	=	=	=	=
Medium white space, illustrated	82	=	=	+	-	+	-
Medium white space, not illustrated	8	2	13	-	+	-	+
No white space, illustrated	5	=	=	=	=	-	+
No white space, not illustrated	0	=	=	=	=	=	=
High white space, more copy	1	=	=	-	+	=	=
High white space, less copy	3	6	1	+	-	=	=
Medium white space, more copy	24	16	40	=	=	=	=
Medium white space, less copy	66	67	51	=	=	=	=
No white space, more copy	1	0	3	-	+	=	=
No white space, less copy	4	10	3	=	=	=	=
Major plus minor illustration*	34	54	19	=	=	=	=

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*Base for this item only consists of ads with two or more illustrations. Items on the following page use all ads as the base.

Table A-1 (continued)

	Percent of All Ads	Percent of Ads in Rating Category with Attribute					
		Image		Traffic		Sales	
		Good	Poor	Good	Poor	Good	Poor
BASE:	1009	190	156	146	29	128	34
Major plus minor illustration, occupying at least half of ad	10%	15%	5%	+	-	+	-
At least half of ad illustrated, showing use &/or results of use	23	34	11	+	-	=	=
Major plus minor illustation, occupying at least half of ad, showing use &/or results	6	11	1	+	-	+	-
Whole ad is illustration, showing use &/or results	2	6	1	-	+	=	=
Sale plus other incentives	19	7	37	=	=	=	=
Sale but no other incentives	28	21	33	=	=	+	-
No sale but other incentives	11	=	=	=	=	+	-
No sale or other incentives	42	63	20	=	=	32	53
High info head or sub-head	48	=	=	=	=	+	-
High info body	21	+	-	24	7	21	6
High info ad (both of above)	10	+	-	=	=	=	=
High attention head	83	77	89	=	=	84	65
High attention sub-head	49	=	=	=	=	+	-
High attention copy	29	-	+	=	=	+	-

APPENDIX B

Supplementary Tables --
Interrelationships of Selected Ad Characteristics

Table B-1

CHARACTERISTICS ASSOCIATED WITH AD SIZE

		Column Inches			Proportion of Printed Page		
Attribute	Total	<63	63-126	126+	<1/2	1/2 - 1	1 +
BASE	1009	649	236	124	439	209	361
Any editorial content	57%	67%	56%	-	88%	86%	2%
Above fold*	15	18	8	-	20	6	-
200+ words of copy	26	18	33	55	19	30	34
Copy size: 18 point or more	25	22	29	32	19	28	29
Head size: 72 point or more	52	43	64	77	45	60	57
Sub-head size: 30 point or more	40	35	48	55	35	47	42
Half or more illustrated	44	37	56	60	28	49	61
Single item	35	44	18	16	45	32	24
Price mention	68	63	75	81	64	75	69
Sale mention	47	42	56	57	42	47	53
Credit card mention	34	30	39	48	29	35	39
Averages:							
Number of other ads on page**	3.2	3.4	2.3	-	3.5	2.2	-
Number of illustrations**	3.6	2.9	4.2	5.9	2.8	3.6	4.5
Number of logos	1.0	.9	1.1	1.2	.9	1.0	1.1

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*Full-page ads excluded.

**"None" is excluded.

Table B-2

CHARACTERISTICS ASSOCIATED WITH NUMBER AND STYLE OF ILLUSTRATIONS

Attribute	Total	Illustrations			
				Multiple	
		None	One	Major + Minor	Other
BASE	1009	95	355	188	371
Product shown in use or action	20%	-	31%	25%	14%
Results of product use shown	10	-	10	16	10
Still life depiction of product	44	-	30	48	67
Illustration but no people	48	-	45	48	63
People shown in photos	26	-	38	34	18
Body copy alone	45	72	70	35	20
Cut lines (with or without other copy)	46	5	19	57	76
Store, not brand, in head or sub-head	35	57	34	27	35

Table B-3

CHARACTERISTICS ASSOCIATED WITH THE NUMBER OF ADVERTISED ITEMS

			Multiple Items	
Attribute	Total	Single Item	Same Category	Mixed Categories
BASE	1009	349	611	49
Advertised product not shown	6%	14%	3%	-
Product shown in use or action	20	27	17	14
People included in illustration	52	67	44	49
People shown in photos	26	36	22	12
People shown in drawings	15	15	14	33
Black and white only	87	91	85	84
ROP color	4	1	6	6
Other color	9	8	10	10
Body copy alone	45	68	35	8
Body copy with bullets	7	14	3	4
Body copy with cut lines	32	8	44	61
Cut lines alone	10	5	12	18
Relevant head or sub-head	68	79	63	49
Two or more logos	15	11	16	24
Price mention	68	46	79	94
Sale mention	47	17	61	80
Averages:				
Size in column inches	63.8	50.1	70.2	81.2
Number of illustrations*	3.6	1.8	4.3	7.4

---

*"None" is excluded.

Table B-4

CHARACTERISTICS ASSOCIATED WITH THE USE OF COLOR

Attribute	Total	B&W Only	ROP Color	Other Color
BASE	1009	876	41	92
Single item advertised	35%	36%	7%	32%
Body copy alone	45	45	27	50
Body copy with cut lines	32	32	54	25
Brand, not store, in head or sub-head	14	12	10	36
People shown in photos	26	24	10	53
Average number of illustrations	3.6	3.6	6.2	3.2

---

*"None" is excluded.

Table B-5

CHARACTERISTICS ASSOCIATED WITH MENTION OF PRICE OR SALE

Attribute	Total	Price	No Price	Sale	No Sale
BASE	1009	687	322	473	536
Multi-item ad	65%	77%	42%	87%	46%
ROP environment	83	88	72	86	80
Still life depiction of product	44	51	29	56	34
Illustration but no people	48	53	38	61	36
200+ words of copy	26	32	14	31	22
Cut lines (with or without other copy)	46	63	8	69	25
Credit card advertising	34	42	16	54	17
Averages:					
Size in column inches	63.8	67.7	55.5	69.7	58.5
Number of illustrations*	3.6	4.3	2.0	4.7	2.6

---

*"None" is excluded.

APPENDIX C

Supplementary Tables --
Characteristics of Ads by Product Category

Relationship of Ad Characteristics to Product Category:

Highlights of Table C-1

As shown in Table C-1, ads representing the major product categories differ with respect to the following characteristics:

- Editorial environment. Automotive ads, for example, are often found in a classified or sports environment, travel and entertainment ads with entertainment copy, real estate ads with real estate copy, and appliance and services ads* in the business section. Magazines more often include ads for home furnishings, clothing, and groceries/sundries (typically toiletries) than for other products.

- Size and format. The largest ads are those for appliances, groceries/sundries, clothing, and home furnishings. Ads for groceries/sundries are more likely than others to rate a double-truck running for two pages or more.

- Use of illustrations. Ads for appliances, automotive products, home furnishings, and groceries/sundries are the most likely to include seven or more illustrations. Clothing and home furnishings ads are the most likely to illustrate half or more of the ad. Ads for services are the least likely to include an illustration or, if illustrated, to depict the service in any way.

- Depiction of the product. Still-life portrayal ranges from lows for travel and services to highs for appliances, automotive products, and groceries/sundries. The results of product use are shown most commonly in ads for groceries/sundries, home furnishings, and appliances, while the product in use is shown more often in clothing and travel/entertainment ads.

- Portrayal of people. The ads that are most likely to include people are generally the same ones that are most likely to portray them in photographs: those for travel/entertainment, clothing, and services. Ads for groceries/sundries also emphasize photographs, while those for automotive products and home furnishings more often show them in drawings.

- Use of color. Color is used more often in ads for groceries/sundries, home furnishings, appliances, and clothing than for other products.

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*Typically for electronics equipment and financial services.

- Use of white space. Ads for services are more likely than others to contain more than two-thirds white space, while groceries/sundries ads are more likely than others to contain virtually none.

- Mention of price, sale, and credit cards. Both the price and a sale are mentioned most often in ads for appliance, automotive products, and home furnishings. Clothing ads also tend to advertise a sale more often than some of the other ads. The highest frequency of credit card advertising occurs in ads for home furnishings, followed by those for appliances and clothing.

- Style of copy. Body copy alone is characteristic of travel, services, and real estate ads, while body copy with cut lines is more typical of ads for appliances, automotive products, home furnishings, groceries/sundries, and clothing. While unusual, 500 words or more of copy is more common in real estate ads than in others; no copy at all, while also unusual, is generally restricted to ads for clothing and groceries/sundries.

- Headline treatment. Clothing and groceries/sundries ads are more likely than others to omit the headline or, with home furnishings ads, to include a head that is just one line long. A headline in all caps is characteristic of automotive and appliance ads, while a headline that relates specifically to the product is found most often in real estate ads and least often in grocery/sundries ads.

Table C-1

CHARACTERISTICS OF ADS IN MAJOR PRODUCT CATEGORIES*

	CLOT	GROC	APPL	HOME	AUTO	TRAV	REAL	SERV
BASE:	159	72	74	145	141	136	76	94
General Ad Characteristics								
Use of color:								
black and white only	80%	71%	80%	79%	93%	96%	97%	95%
spot color	4	3	10	4	5	2	1	3
two or more colors	16	26	11	17	2	2	1	2
ROP color	1	7	14	5	6	2	1	1
other color	19	22	7	17	1	2	1	4
Size in column inches:								
less than 63	55	46	54	67	57	82	67	84
63 - 125	31	33	21	26	28	13	18	12
126 or more	15	21	26	7	15	5	15	4
Ad as proportion of printed page:								
less than half page	26	14	39	35	51	62	54	66
half up to full page	24	24	14	23	23	18	22	16
full page or more	50	63	47	41	26	20	24	18
Ad shape:								
double-truck ad	6	15	4	2	1	2	-	1
ad on up to one page:								
vertical rectangular	73	68	88	81	77	78	78	81
horizontal rectangular	4	6	3	6	16	7	15	6
roughly square	17	11	5	11	6	13	8	12
Advertised items:								
single item	17	26	5	11	14	70	65	73
multiple item, same category	81	74	84	87	84	29	36	26
multiple item, mixed categories	2	-	11	2	1	1	-	1

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*CLOT, clothing and accessories; GROC, groceries and sundries; APPL, appliances and electronics; HOME, household furnishings, home improvement, farm, and garden; AUTO, automobiles and automotive aftermarket; TRAV, travel and entertainment (including restaurants); REAL, real estate; and SERV, services.

Table C-1 (continued)

	CLOT	GROC	APPL	HOME	AUTO	TRAV	REAL	SERV
BASE:	159	72	74	145	141	136	76	94
White space:								
(virtually) none	6%	13%	5%	5%	3%	4%	3%	2%
less than 1/3 of ad	47	43	43	59	50	43	42	39
1/3 to 2/3 of ad	45	44	50	35	43	49	47	46
2/3 or more of ad	3	-	1	2	4	4	8	13
Illustrations								
No. of illustrations:								
none	1	3	-	3	9	12	17	30
one	56	25	5	23	18	50	34	49
two	16	21	3	15	9	14	12	10
three to six	20	31	30	36	35	15	28	6
seven or more	6	21	62	23	30	10	9	5
Proportion illustrated:								
less than half (net)	28	53	51	37	77	68	68	81
none	1	3	-	3	9	12	17	30
less than half (but some)	26	50	51	35	69	57	51	51
half or more (net)	72	47	49	63	23	32	32	19
half or more but not all	67	38	49	59	22	29	32	17
entire ad is illustrated	6	10	-	3	1	2	-	2
Content of illustration:								
advertised item not shown	1	-	-	1	4	7	8	22
advertised item not concrete product but depicted	-	-	1	-	-	33	3	15
product/package shown as still life only	25	67	82	57	78	9	47	14
results of product use shown	9	25	14	24	1	2	7	5
product in use/action shown	60	4	3	9	7	35	16	13
both use and results shown	3	1	-	6	2	2	3	1
Depiction of people:								
illustration but no people	26	58	76	81	66	21	45	27
people shown in photos	57	29	11	6	6	52	17	28
people shown in drawings	16	10	11	10	17	13	21	15
if illustration with people:								
depicted in photos	78	75	44	35	25	77	45	66
depicted in drawings	22	25	44	61	67	18	55	34

Table C-1 (continued)

	CLOT	GROC	APPL	HOME	AUTO	TRAV	REAL	SERV
BASE:	159	72	74	145	141	136	76	94
Copy								
Amount of copy:								
none	4%	3%	-	-	-	-	-	1%
50 words or less	23	11	1	3	8	17	11	6
51 to 200 words	62	54	51	74	57	61	57	71
200-500 words	12	31	39	22	32	18	22	17
500 words or more	-	1	8	1	3	4	11	4
Type of copy:								
body copy only	40	40	8	31	20	74	68	73
bullets only	-	-	1	-	1	1	1	1
cut lines only	14	11	16	14	14	2	5	3
body copy with bullets	4	3	1	6	4	12	9	16
body copy with cut lines	37	42	60	45	55	10	11	5
bullets with cut lines	1	-	7	2	3	2	3	-
all three	-	1	7	3	4	1	3	-
Copy style:								
all caps	3	13	7	8	21	8	5	3
all lower case	9	3	10	12	6	7	9	11
mixed upper and lower	84	82	84	80	73	85	86	85
Copy size:								
smaller than 8 pt.	1	-	11	3	8	2	4	4
8 up to 12 point	37	26	37	40	23	27	36	30
12 up to 18 point	43	36	37	36	38	37	46	46
18 point and larger	16	35	16	21	31	35	15	19
Price/Incentives/Credit Cards								
Price(s) mentioned	65	71	93	80	89	59	75	31
Sale mentioned (net):	57	31	74	87	65	18	8	17
percent off	15	-	3	19	2	4	1	1
dollar savings	20	21	41	23	37	11	7	13
both percent and dollar	21	3	15	38	5	2	-	2
unspecified savings	3	7	16	7	21	2	-	1
Other price incentives mentioned (net):	13	51	37	28	70	18	18	18
cents-off coupon	3	28	3	3	7	4	-	1
bonus/gift/offer/rebate	6	24	26	16	55	12	11	10

Table C-1 (continued)

	CLOT	GROC	APPL	HOME	AUTO	TRAV	REAL	SERV
BASE:	159	72	74	145	141	136	76	94
Credit cards advertised*:								
store credit	27%	7%	35%	37%	32%	2%	1%	6%
VISA	31	8	38	53	19	10	-	12
MasterCard	31	8	38	53	19	10	-	12
Discover	10	-	16	20	9	3	-	4
American Express	31	3	15	25	11	7	-	2
Diners Club	3	-	1	1	7	-	-	-
Carte Blanche	1	-	1	1	6	-	-	-
Choice	1	-	5	3	4	1	-	1
"major credit cards"	6	-	4	3	1	5	-	1
none mentioned	54	90	46	35	57	85	99	83
Heads and Sub-heads								
No headline	5	10	1	3	-	3	-	1
Headline location:								
in top third of ad	83	76	95	88	94	79	86	89
in middle third of ad	3	1	1	4	4	6	9	4
in bottom third of ad	7	10	1	3	1	12	4	4
Lines in headline:								
one	39	33	23	33	21	24	18	13
two	33	33	47	27	33	33	47	36
three	11	11	19	22	26	24	18	30
four or more	13	13	10	15	21	17	16	20
No. of words in head:								
one	3	-	3	1	4	7	1	1
two	18	11	14	14	9	16	11	11
three to five	38	46	46	47	43	22	30	30
six to eight	23	17	23	19	22	24	28	22
nine or more	15	17	14	16	22	28	30	35
Headline style:								
all caps	50	33	69	50	75	53	30	43
all lower case	4	1	3	5	-	2	4	5
mixed upper/lower case	40	56	27	42	26	42	66	51

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*Multiple mentions possible.

Table C-1 (continued)

	CLOT	GROC	APPL	HOME	AUTO	TRAV	REAL	SERV
BASE:	159	72	74	145	141	136	76	94
Headline type size:								
<30 point	2%	6%	1%	2%	2%	2%	1%	7%
30 up to 42 point	16	13	4	9	5	20	20	19
42 up to 72 point	28	26	32	26	23	39	34	22
72 point or larger	49	46	61	59	70	37	45	50
No sub-head	45	44	37	39	33	49	45	46
Sub-head location:								
in top third of ad	41	33	51	48	50	29	30	33
in middle third of ad	4	14	3	9	9	10	12	13
in bottom third of ad	10	7	7	5	7	12	12	9
No. of lines in sub-head:								
one	18	31	30	26	21	22	24	17
two	15	11	24	17	24	16	18	26
three	11	3	5	8	4	10	9	5
four or more	11	11	4	11	18	3	4	6
No. of words in sub-head:								
one	3	1	-	1	2	-	3	1
two	2	3	7	4	3	5	4	5
three to five	18	18	19	16	19	20	24	22
six to eight	6	10	19	16	17	12	12	15
nine or more	28	24	19	24	26	14	13	11
Sub-head style:								
all caps	33	26	24	27	48	27	22	21
all lower case	3	3	3	4	1	1	1	2
mixed upper & lower case	20	26	37	30	18	24	32	31
Sub-head type size:								
<18 point	2	6	3	3	1	2	3	-
18 up to 24 point	13	7	7	8	5	7	8	9
24 up to 30 point	8	6	15	3	4	7	4	13
30 point or larger	33	38	39	46	57	35	41	33
Head or sub-head mentions:								
store, but not brand	16	15	30	26	21	54	71	51
brand, but not store	23	44	20	9	18	4	3	4
both store & brand	8	7	12	9	24	4	-	2
neither store nor brand	48	24	37	52	37	36	26	42
(no head or sub-head)	5	10	1	3	-	3	-	1
Is head or sub-head related to product?								
yes	69	57	60	60	71	77	83	78
no	26	33	39	37	29	21	17	21

Table C-1 (continued)

	CLOT	GROC	APPL	HOME	AUTO	TRAV	REAL	SERV
BASE:	159	72	74	145	141	136	76	94
Benefit head or sub-head:								
not present	86%	88%	89%	90%	92%	82%	83%	84%
"save money"	4	1	8	3	6	4	1	-
"have a good time"	1	-	-	-	-	8	1	-
"improve skills, get job"	-	-	-	-	-	-	-	3
Logos								
No. of logos:								
none	26	15	12	28	26	14	20	22
one	62	67	69	59	47	77	72	65
two	11	10	16	14	21	7	7	13
three or more	1	8	3	-	6	2	1	-
Logo in headline	17	22	24	14	29	13	15	11
Location of first logo:								
toward top, centered	9	13	15	12	26	15	9	4
toward top, off center	6	31	24	8	9	6	12	6
toward bottom, centered	26	18	19	23	22	21	21	28
toward bottom, off center	33	22	30	28	17	43	33	39
(logo not included)	26	15	12	28	26	14	20	22
Location of second logo:								
toward top, centered	1	1	1	1	3	2	-	-
toward top, off center	-	6	5	1	2	1	-	2
toward bottom, centered	3	4	3	3	11	6	4	4
toward bottom, off center	8	6	10	8	11	2	4	6
(second logo not included)	88	82	81	86	73	90	92	87
Context for Ad								
Location:								
left-hand page*	49	36	51	51	47	46	51	55
right-hand page	51	62	45	49	51	54	49	44
above fold**	6	6	10	11	27	13	17	23
below fold	71	71	72	60	60	68	62	62
centered on fold	23	23	18	29	13	19	21	15
gutter**	52	68	44	45	50	40	60	32
not gutter	48	32	56	55	50	60	40	68

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*Double-truck ads omitted.

**Base for "fold" and "gutter" variables excludes full-page ads.

Table C-1 (continued)

	CLOT	GROC	APPL	HOME	AUTO	TRAV	REAL	SERV
BASE:	159	72	74	145	141	136	76	94
Editorial environment:								
general news	33%	21%	24%	32%	3%	9%	5%	21%
business	-	-	11	1	1	-	3	15
classified	-	-	1	-	23	-	4	7
entertainment	6	10	-	6	-	29	-	5
food	1	4	-	1	-	1	3	-
home/garden/real estate	1	1	-	2	-	-	41	3
sports	3	-	5	3	21	4	-	5
TV/radio	-	-	-	1	-	2	-	2
none	51	57	50	45	51	32	40	23
Consecutive pages in ad:								
one	93	82	96	97	99	99	100	98
two	6	15	4	2	1	2	-	1
three or more	1	3	-	1	-	-	-	1
No. of other ads on page (greater than 2 sq. in.):								
none	69	75	60	61	33	31	36	28
one to two	27	24	23	28	32	22	32	40
three to four	4	1	8	9	18	21	17	13
five or more	1	-	10	1	16	26	16	19
Page type:								
broadsheet ROP	57	54	69	56	86	68	71	75
tabloid ROP	13	19	24	12	14	24	24	7
magazine, book review, TV magazine	30	26	7	32	1	9	5	18
Sunday circulation (broadsheet only):								
>750,000	51	53	40	45	50	60	38	43
500-750,000	31	28	39	35	34	30	28	24
<500,000	18	19	21	21	16	10	34	33
Conbinations of Attributes								
More copy, illustrated	12	29	47	22	31	16	21	16
Less copy, illustrated	87	68	53	75	60	72	62	54
More copy, not illustrated	-	3	-	1	4	6	12	5
Less copy, not illustrated	1	-	-	2	5	6	5	25

Table C-1 (continued)

	CLOT	GROC	APPL	HOME	AUTO	TRAV	REAL	SERV
BASE:	159	72	74	145	141	136	76	94
High white space, illustrated	3%	-	1%	1%	4%	2%	7%	7%
High white space, not illustrated	-	-	-	1	1	2	1	5
Medium white space, illustrated	90	85	93	91	85	82	74	61
Medium white space, not illustrated	1	3	-	2	8	9	16	25
No white space, illustrated	6	13	5	5	3	4	3	2
No white space, not illustrated	-	-	-	-	-	1	-	-
High white space, more copy	-	-	-	1	1	1	3	2
High white space, less copy	3	-	1	1	3	4	5	11
Medium white space, more copy	12	29	45	20	32	21	29	19
Medium white space, less copy	79	58	49	73	61	71	61	66
No white space, more copy	-	3	3	2	1	1	1	-
No white space, less copy	6	10	3	3	1	4	1	2
Major plus minor illustration*	43	46	23	38	23	37	41	45
Major plus minor illustration, occupying at least half of ad	13	24	7	19	8	5	7	4
At least half of ad illustrated, showing use &/or results of use	60	22	10	30	6	18	16	5
Major plus minor illustation, occupying at least half of ad, showing use &/or results	12	18	1	10	1	4	3	1
Whole ad is illustration, showing use &/or results	5	6	-	3	-	2	-	1

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*Base for this item only consists of ads with two or more illustrations. Items on the following page use all ads as the base.

Table C-1 (continued)

	CLOT	GROC	APPL	HOME	AUTO	TRAV	REAL	SERV
BASE:	159	72	74	145	141	136	76	94
Sale plus other incentives	8%	22%	30%	25%	50%	8%	-	5%
Sale but no other incentives	49	8	45	62	15	10	8	12
No sale but other incentives	4	29	7	3	20	10	18	13
No sale or other incentives	38	40	19	10	15	71	74	70
High info head or sub-head	38	53	49	37	57	57	66	53
High info body	42	14	15	28	9	21	22	9
High info ad (both of above)	16	10	3	13	6	14	18	-
High attention head	80	67	93	81	98	80	76	84
High attention sub-head	49	47	43	54	62	42	49	43
High attention copy	16	43	19	25	40	40	18	20

Table C-2

DISTRIBUTION OF ADS BY DETAILED PRODUCT CATEGORY

Product Category	Percent of Ads
BASE:	1009
CLOTHING/ACCESSORIES (NET)	16%
Women's dressy clothing: dresses, suits, and coats	4
Women's sportswear and separates	2
Women's athletic clothing (sports, dance, exercise), but not shoes	-*
Women's shoes (including sneakers and athletic shoes)	1
Women's accessories (costume jewelry, handbags, scarves, hosiery, sleepwear, intimate apparel)	1
Women's clothing and accessories -- mixed categories	1
Men's clothing (except shoes, accessories, and athletic clothing)	1
Men's shoes (including sneakers and athletic shoes)	-
Men's accessories (shirts, ties, sweaters, socks, pajamas, gifts)	-
Men's athletic clothing (sports, exercise), but not shoes	-
Men's clothing and accessories -- mixed categories	-
Children's clothing, athletic clothing, shoes and accessories	2
Fine jewelry and watches	1
Mixed clothing and accessories -- mixed users and/or mixed item types: two or more of categories above are represented in ad (except if all women's or all men's)	2
GROCERIES AND SUNDRIES (NET)	7
Groceries: food, beverages, household supplies, except pet food/supplies, alcoholic beverages, and tobacco products (items typically purchased in grocery stores, but not in fast food establishments or restaurants).	3
Pets, pet food, pet supplies	-
Alcoholic beverages	-
Tobacco products	-
Toiletries, cosmetics, medications, first aid supplies	4
Mixed grocery/convenience store items: two or more of categories above are represented in ad	-

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*Less than half a percent

Table C-2 (continued)

Product Category	Percent of Ads
BASE:	1009
TRAVEL AND ENTERTAINMENT (NET)	14%
Restaurants (including fast food)	-
Travel: transportation (including short-term car rental), destinations (e.g., states, resort communities, countries), and accommodations	7
Live entertainment: plays, concerts, dinner theaters, club performances, etc.	2
Movies	4
Sporting events, race tracks, etc.	1
Miscellaneous entertainment: amusement parks, opportunities to meet celebrities, mixed entertainment types, etc.	1
APPLIANCES AND ELECTRONICS (NET)	7
Small appliances, cameras, and electronics: small home appliances (e.g., blenders, hair dryers), computers for home or business, telephones, cameras, TVs, VCRs, camcorders, stereo equipment, telecommunications devices, information systems and accessories (except records, tapes, videocassettes, diskettes)	5
Records, tapes, videocassettes, diskettes (recorded or blank)	1
Major appliances, e.g., ranges, washers	-
Mixed appliances and accessories: two or more of above	2
HOUSE AND GARDEN (NET)	14
Household furnishings: furniture, rugs/carpets, accessories, home decorating materials/services, art, upholsterers, etc.	12
Home building/renovating/repair services and products: do-it-yourself products/materials/tools; additions/decks/pools; renovations; hardware, paint, lumber, power tools, etc.; building contractors, electricians, plumbers, etc.	2
Farm, garden, indoor gardening: nursery stock, plants, garden equipment/supplies, landscape services, etc.	-
BOOKS AND NOTIONS (NET)	2
Books	1
Fabrics, yarns, arts and crafts materials	1
Toys	-
Games, miscellaneous gadgets, novelty items, holiday/seasonal decorations/items	-

Table C-2 (continued)

Product Category	Percent of Ads
BASE:	1009
AUTOMOTIVE (NET)	14%
Automobiles (new and used), including long-term auto leasing	10
Automobile aftermarket: tires, accessories, car radios and stereos, cellular car phones, servicing/repair	4
REAL ESTATE: houses, apartments, land, retirement or recreation communities -- for rent or sale	8
EMPLOYMENT	2
SERVICES (NET)	9
Education: schools, universities, courses, seminars, day care centers, etc.	1
Financial: banks, mortgage lenders, S&Ls, brokerage houses, credit cards, insurance, investment vehicles	4
Eye care/glasses/contact lenses	1
Other health care/medical: hospitals; individual doctors, dentists, and other providers; life care communities (with medical facilities); dental care; cosmetic surgery	1
Fitness/recreation: facilities (spas, health clubs, weight loss clinics); sports/exercise equipment (but not clothing or shoes)	2
Miscellaneous services: moving and storage companies, hair stylists, beauty salons, attorneys, public utilities, telephone companies, shippers (e.g., air/rail/bus freight, Federal Express, overnight mail) -- but excluding services encompassed by any category above	1
PROMOTION (NET)	4
Media: newspapers, TV or radio program/station/network, magazines, promotion of advertising in a given medium	3
Corporate image/issues/promotion: general promotion of company (as opposed to specific product), its good neighbor qualities, etc.; proxy votes and company position; stand on public issues (e.g., conservation, safety), etc.	-
Charity/public service: solicitations for charity, benefit performances, public service announcements	-
Retail store ad without specific product (e.g., ad saying only that credit cards now accepted)	-
Designer or brand name only, but not specific items advertised	1
Not covered by any of above categories	1
Mixed item, mixed categories: no single code (from above) can encompass all of the items in the ad	3

GLOSSARY OF TERMS
USED TO DESCRIBE ADS

GLOSSARY

Benefit headline/sub-head -- in a headline and/or sub-head, a benefit to the consumer of using the product/service is explicitly stated.

Body copy -- paragraphs or miscellaneous copy.

Brand -- proper name of the product or service advertised.

Bullets -- telegraphic entries, typically single line and preceded by a dark dot (but if used to identify individual illustrated items in the ad, considered cut lines instead).

Copy, more -- at least 200 words.

Copy, less -- less than 200 words.

Cut lines -- a few descriptive words that may include price, usually in a multi-item ad, accompanying each illustration.

Editorial environment -- the content of editorial copy, if any, on the page (not the section) on which the ad appears.

Gutter position -- ad abuts vertical fold (regardless of size or shape of ad). (Ad is not in the gutter position if there is anything between the vertical fold and the ad.)

Headline -- the largest typeface, regardless of placement, making a statement or indicating the brand name.

High attention copy -- copy that is at least 18 point or all caps.

High attention head -- a headline that is at least 72 point or all caps or three or more lines.

High attention sub-head -- a sub-head that is at least 30 point or all caps or three or more lines.

High info ad -- an ad with both a high info body and a high info head/sub-head.

High info body -- includes illustration showing use and/or results of product use, at least 51 words of copy, and price.

High info head/sub-head -- headline and/or sub-head includes advertiser name (or logo) and is relevant to product/service advertised.

Illustration -- graphical representation (e.g., photo, drawing), but not including maps or logos for either brand or store.

Content of illustration (for concrete products):

Product/package shown as still life only -- intended user not part of product illustration, neither use nor results of use shown. (Includes home furnishings when presented individually or in a store display rather than arranged as a complete room.)

Results of use of product shown -- often but not necessarily with user of product. (Includes home furnishings arranged as a complete room but without people.)

Product in use/action shown -- by the intended real user or by a fictitious or mythical user. (Includes home furnishings when arranged as a room and in use by real or fictitious user.)

Both product in use/action and results of product use shown -- in a multi-item ad these do not necessarily refer to the same item or to the most prominent item.

Major plus minor illustration(s) -- if two or more illustrations, one stands out from the other(s) as being noticeably larger.

Number of illustrations -- graphical representations (meeting the definition of illustration above) that touch each other or overlap are considered one illustration. Graphical representations, no matter how small, that are clearly separated by lines or even small amounts of space or copy are considered separate illustrations.

Logo -- recognizable, distinctive design element (a "dingbat") that uniquely identifies the supplier of the product or service (the store, not the brand); it may include words and/or graphical symbols.

First logo -- the largest; if of equal size, that nearer the top of the page; if at the same vertical placement, that on the left.

Second logo -- the remaining logo, if two; if more than two, selected according to the rules for identifying the first logo.

Multi-page ad -- consecutive pages by the same advertiser that either represent a single product category, are united by a common theme, or contain information integral to the adjacent pages of advertising.

Product category -- any one of 51 specific product categories or 5 "umbrella" categories (e.g., "women's clothing and accessories, mixed categories"). If the items in a multi-item ad can be subsumed within either a specific or umbrella category, they are defined as coming from a single product category.

Relevant headline/sub-head -- headline and/or sub-head applies specifically to the product category advertised (although it need not actually name the product category), as opposed to general statements that could apply to almost anything (e.g., "It's Fall!", "We're Your Store!")

Store -- the supplier of the product/service, where the customer goes to get it (can include banks, theatres, etc.).

Sub-head -- occurs only in an ad that has a headline. It is similar to the headline but of smaller typeface (the sub-head typeface is, however, larger than that of most of the copy).

White space -- background, regardless of color.

High white space -- at least two-thirds of the ad.

Medium white space -- less than two-thirds (but some).

No white space -- none or virtually none.